API Well Number: 43047526630000

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 3
AMENDED REPORT ☑

APPLICATION FOR PERMIT TO DRILL

1. WELL NAME and NUMBER UTE 16-2A-4-1	
2. TYPE OF WORK DRILL NEW WELL ● REENTER P&A WELL ○ DEEPEN WELL ○	**3. FIELD OR WILDCAT** UNDESIGNATED
4. TYPE OF WELL Oil Well Coalbed Methane Well: NO	**5. UNIT or COMMUNITIZATION AGREEMENT NAME**
6. NAME OF OPERATOR FINLEY RESOURCES INC	**7. OPERATOR PHONE** 817 231-8735
8. ADDRESS OF OPERATOR PO Box 2200, Fort Worth, TX, 76113	**9. OPERATOR E-MAIL** awilkerson@finleyresources.com
10. MINERAL LEASE NUMBER (FEDERAL, INDIAN, OR STATE) 14-20-H62-4896	**11. MINERAL OWNERSHIP** FEDERAL ○ INDIAN ● STATE ○ FEE ○
12. SURFACE OWNERSHIP FEDERAL ○ INDIAN ○ STATE ○ FEE ●	
13. NAME OF SURFACE OWNER (if box 12 = 'fee') Coleman, et al.	**14. SURFACE OWNER PHONE (if box 12 = 'fee')** 435-564-1666
15. ADDRESS OF SURFACE OWNER (if box 12 = 'fee') 148 West Center Street, ,	**16. SURFACE OWNER E-MAIL (if box 12 = 'fee')**
17. INDIAN ALLOTTEE OR TRIBE NAME (if box 12 = 'INDIAN')	**18. INTEND TO COMMINGLE PRODUCTION FROM MULTIPLE FORMATIONS** YES ○ (Submit Commingling Application) NO ●
19. SLANT VERTICAL ● DIRECTIONAL ○ HORIZONTAL ○	

20. LOCATION OF WELL	FOOTAGES	QTR-QTR	SECTION	TOWNSHIP	RANGE	MERIDIAN
LOCATION AT SURFACE	462 FNL 1650 FEL	NWNE	16	4.0 S	1.0 E	U
Top of Uppermost Producing Zone	462 FNL 1650 FEL	NWNE	16	4.0 S	1.0 E	U
At Total Depth	462 FNL 1650 FEL	NWNE	16	4.0 S	1.0 E	U

21. COUNTY UINTAH	**22. DISTANCE TO NEAREST LEASE LINE (Feet)** 462	**23. NUMBER OF ACRES IN DRILLING UNIT** 40
	25. DISTANCE TO NEAREST WELL IN SAME POOL (Applied For Drilling or Completed) 1190	**26. PROPOSED DEPTH** MD: 8500 TVD: 8500
27. ELEVATION - GROUND LEVEL 5273	**28. BOND NUMBER** RLB 0011294	**29. SOURCE OF DRILLING WATER / WATER RIGHTS APPROVAL NUMBER IF APPLICABLE** 43-8496

Hole, Casing, and Cement Information

String	Hole Size	Casing Size	Length	Weight	Grade & Thread	Max Mud Wt.	Cement	Sacks	Yield	Weight
COND	17.5	13.375	0 - 60	48.0	H-40 ST&C	0.0	Class G	41	1.17	15.8
SURF	12.25	8.625	0 - 358	32.0	J-55 ST&C	8.6	Premium Lite High Strength	47	3.53	11.0
							Class G	111	1.17	15.8
PROD	7.875	5.5	0 - 8500	15.5	J-55 LT&C	9.5	50/50 Poz	961	1.24	13.2

ATTACHMENTS

VERIFY THE FOLLOWING ARE ATTACHED IN ACCORDANCE WITH THE UTAH OIL AND GAS CONSERVATION GENERAL RULES

☑ WELL PLAT OR MAP PREPARED BY LICENSED SURVEYOR OR ENGINEER	☑ COMPLETE DRILLING PLAN
☑ AFFIDAVIT OF STATUS OF SURFACE OWNER AGREEMENT (IF FEE SURFACE)	☐ FORM 5. IF OPERATOR IS OTHER THAN THE LEASE OWNER
☐ DIRECTIONAL SURVEY PLAN (IF DIRECTIONALLY OR HORIZONTALLY DRILLED)	☑ TOPOGRAPHICAL MAP

NAME Don Hamilton	**TITLE** Agent	**PHONE** 435 719-2018
SIGNATURE	**DATE** 05/14/2012	**EMAIL** starpoint@etv.net

API NUMBER ASSIGNED
43047526630000

APPROVAL

Permit Manager

RECEIVED: July 02, 2012

Finley Resources, Inc.
UTE 16-2A-4-1
462' FNL & 1650' FEL, NW/4 NE/4, Sec 16, T4S, R1E, U.S.B.&M.
Uintah County, UT

Drilling Program

1. Formation Tops

Surface	5,273'
Green River	2,533'
Black Shale	6,443'
Uteland Butte	6,993'
Wasatch	7,403'
TD	8,500'

2. Depth to Oil, Gas, Water, or Minerals

Black Shale	6,443'	- 6,993'	(Oil)
Uteland Butte	6,993'	- TD	(Oil)

Fresh water may be encountered in the Duchesne Formation, but is not expected below about 300'.

3. Pressure Control

Section	BOP Description
Surface	12-1/4" diverter
Interm/Prod	The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system.

A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

4. Casing

Description	Interval		Weight (ppf)	Grade	Coup	Pore Press @ Shoe	MW @ Shoe	Frac Grad @ Shoe	Safety Factors		
	Top	Bottom							Burst	Collapse	Tension
Conductor	0'	60'	48	H-40	STC	--	--	--	1,730	770	322,000
13 3/8									--	--	--
Surface	0'	358'	32	J-55	STC	8.33	8.6	11	3,930	2,530	417,000
8 5/8									21.57	21.27	36.40
Production	0'	8,500'	15.5	J-55	LTC	9	9.5	11	4,810	4,040	217,000
5 1/2									1.54	1.21	1.65

RECEIVED: May 14, 2012

Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)
Intermediate casing MASP = (reservoir pressure) - (gas gradient)
Production casing MASP = (reservoir pressure) - (gas gradient)
All collapse calculations assume fully evacuated casing with a gas gradient
All tension calculations assume air weight of casing
Gas gradient = 0.1 psi/ft

All casing shall be new.
All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

5. Cement

Job	Hole Size	Fill	Slurry Description	ft^3 / sacks	OH excess	Weight (ppg)	Yield (ft^3/sk)
Conductor	17 1/2	60'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	48 / 41	15%	15.8	1.17
Surface Lead	12 1/4	200'	Premium Lite II w/ 3% KCl + 10% bentonite	165 / 47	100%	11.0	3.53
Surface Tail	12 1/4	158'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	130 / 111	100%	15.8	1.17
Production Tail	7 7/8	5,500'	50/50 Poz/Class G w/ 3% KCl + 2% bentonite	1191 / 961	25%	13.2	1.24

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 25% excess.

6. Type and Characteristics of Proposed Circulating Medium

Interval	Description
Surface - 358'	An air and/or fresh water system will be utilized.
358' - TD	A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite. Anticipated maximum mud weight is 9.5 ppg.

7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to the cement top behind the production casing.

Cores: As deemed necessary.

RECEIVED: May 14, 2012

DST: There are no DST's planned for this well.

8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.47 psi/ft gradient.

8,500' x 0.47 psi/ft = 3978 psi

No abnormal temperature is expected. No H_2S is expected.

9. Other Aspects

This is planned as a vertical well.

RECEIVED: May 14, 2012

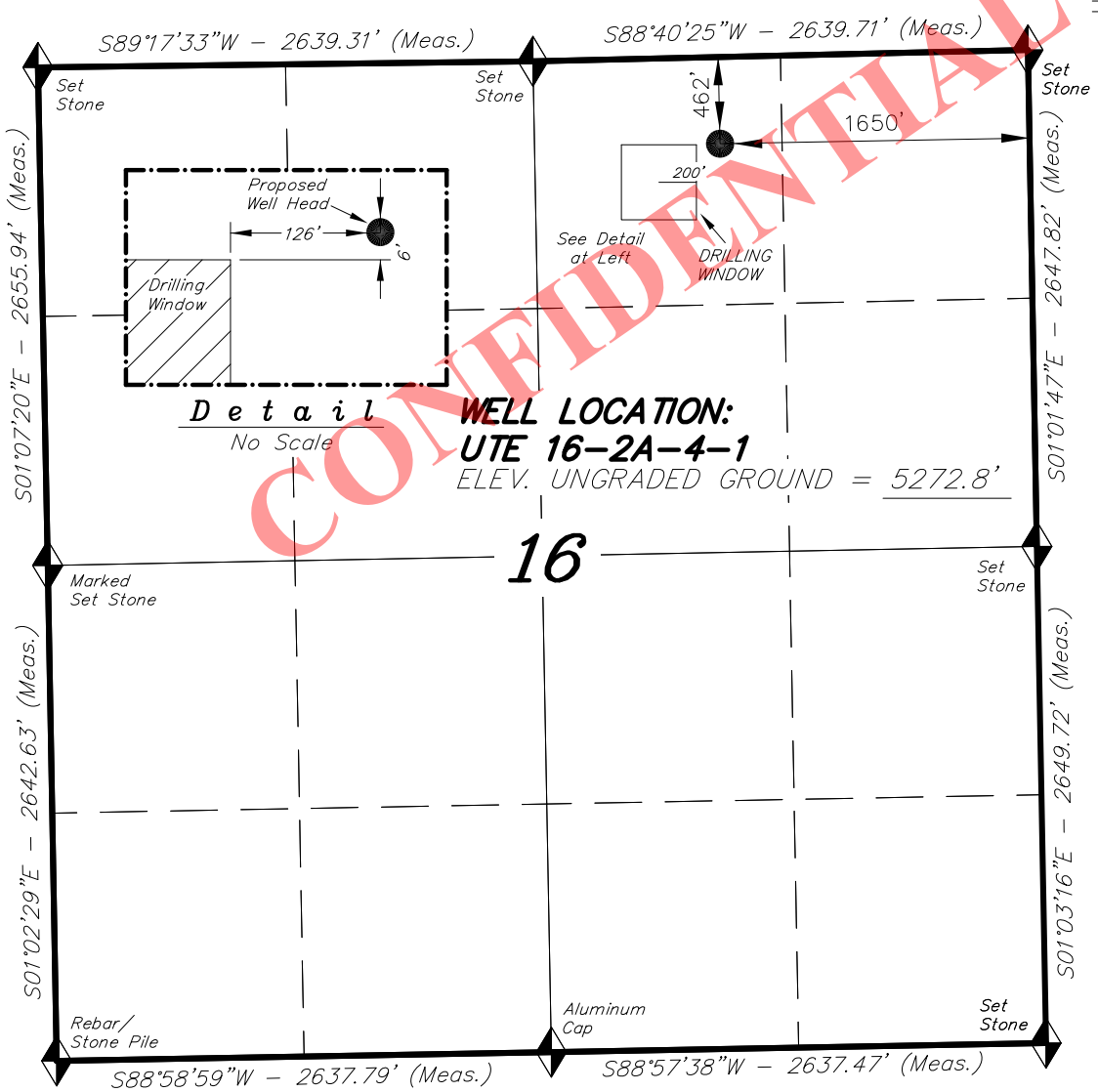
API Well Number: 43047526630000

Exhibit "A"

T4S, R1E, U.S.B.&M.

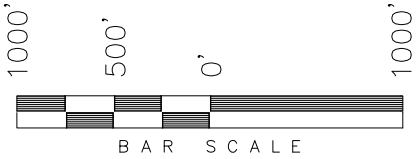
FINLEY RESOURCES INC.

WELL LOCATION, UTE 16-2A-4-1, LOCATED AS SHOWN IN THE NW 1/4 NE 1/4 OF SECTION 16, T4S, R1E, U.S.B.&M. UINTAH COUNTY, UTAH.



Detail
No Scale

WELL LOCATION:
UTE 16-2A-4-1
ELEV. UNGRADED GROUND = 5272.8'



NOTES:
1. Well footages are measured at right angles to the Section Lines.
2. Bearings are based on Global Positioning Satellite observations.

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

REGISTERED LAND SURVEYOR No.189377 12-09-11 STACY W. STEWART STATE OF UTAH

STACY W. STEWART
REGISTERED LAND SURVEYOR
REGISTRATION No. [illegible]
STATE OF UTAH

= SECTION CORNERS LOCATED

BASIS OF ELEV; Elevations are based on an N.G.S. OPUS Correction. LOCATION: LAT. 40°04'09.56" LONG. 110°00'43.28" (Tristate Aluminum Cap) Elev. 5281.57'

UTE 16-2A-4-1
(Surface Location) NAD 83
LATITUDE = 40° 08' 27.65"
LONGITUDE = 109° 53' 03.35"

TRI STATE LAND SURVEYING & CONSULTING
180 NORTH VERNAL AVE. – VERNAL, UTAH 84078
(435) 781-2501

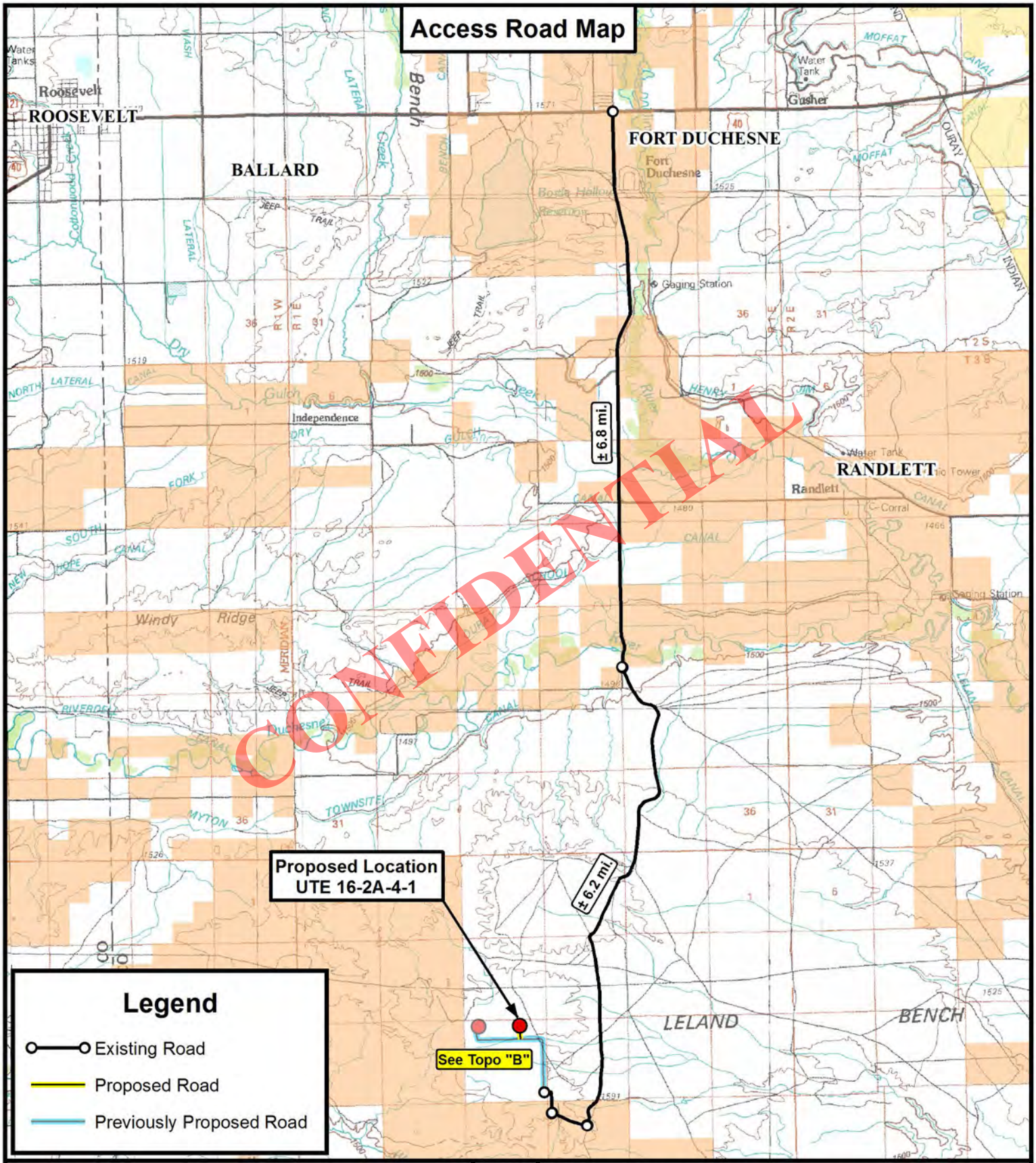
DATE SURVEYED: 11-13-11	SURVEYED BY: C.D.S.
DATE DRAWN: 12-09-11	DRAWN BY: R.B.T.
REVISED:	SCALE: 1" = 1000'

RECEIVED: May 14, 2012

API Well Number: 43047526630000

Exhibit "B"

Access Road Map



Tri State Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
P: (435) 781-2501
F: (435) 781-2518

N

FINLEY RESOURCES INC.

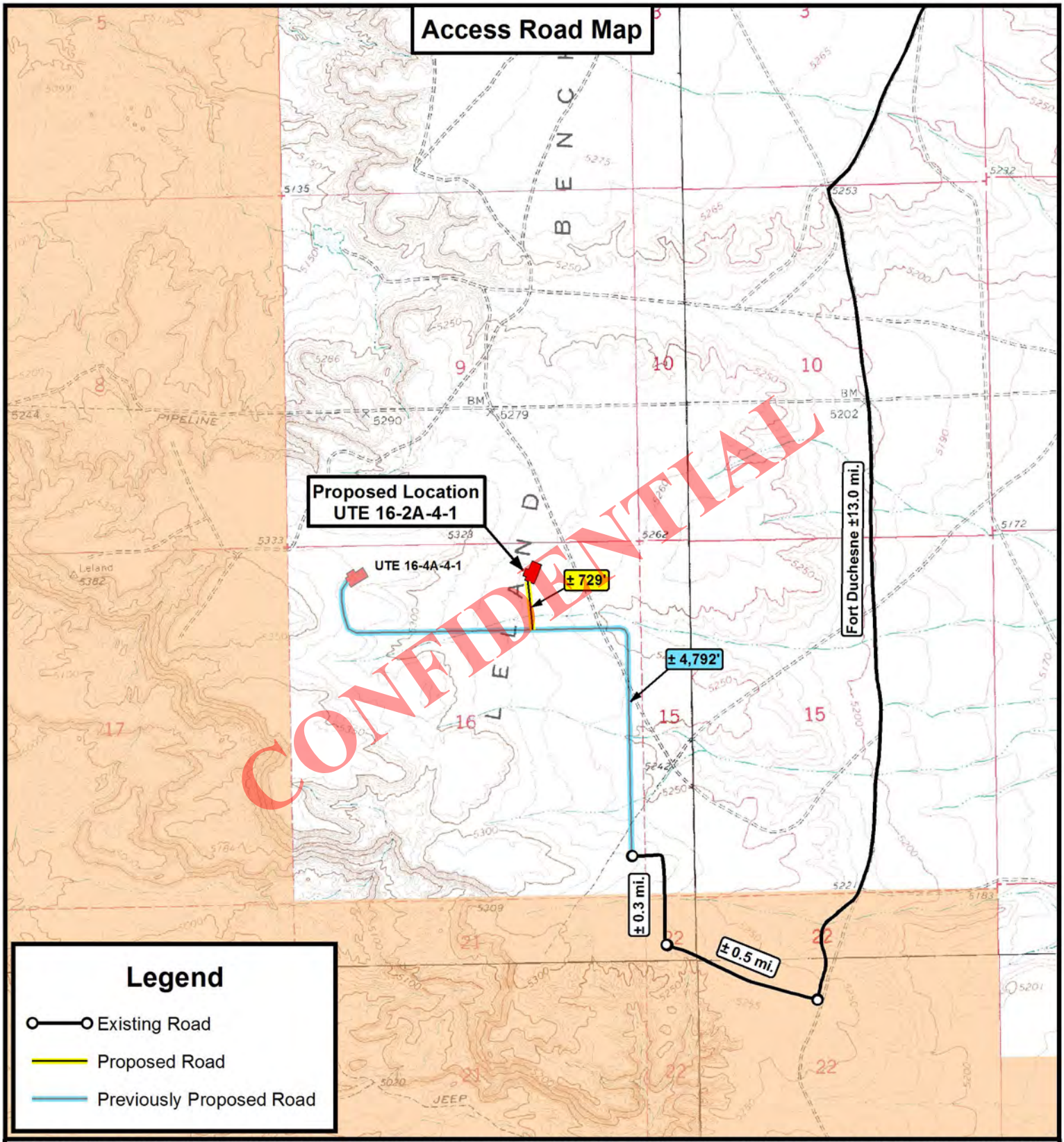
UTE 16-2A-4-1
SEC. 16, T4S, R1E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	D.C.R.	REVISED:
DATE:	12-12-2011	
SCALE:	1:100,000	

TOPOGRAPHIC MAP

SHEET A

API Well Number: 43047526630000



THE PARCEL INFORMATION SHOWN HAS NOT BEEN SURVEYED BY TRI-STATE LAND SURVEYING, INC. - TRI-STATE DOES NOT WARRANTY PROPERTY PARCEL DATA OR ANY ASSOCIATED INFORMATION. A PROPERTY SURVEY IS REQUIRED TO DETERMINE THE ACTUAL LOCATION OF PROPERTY LINES AND SHOW ACCURATE DISTANCES ACROSS PARCELS.

Tri State Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
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N

FINLEY RESOURCES INC.

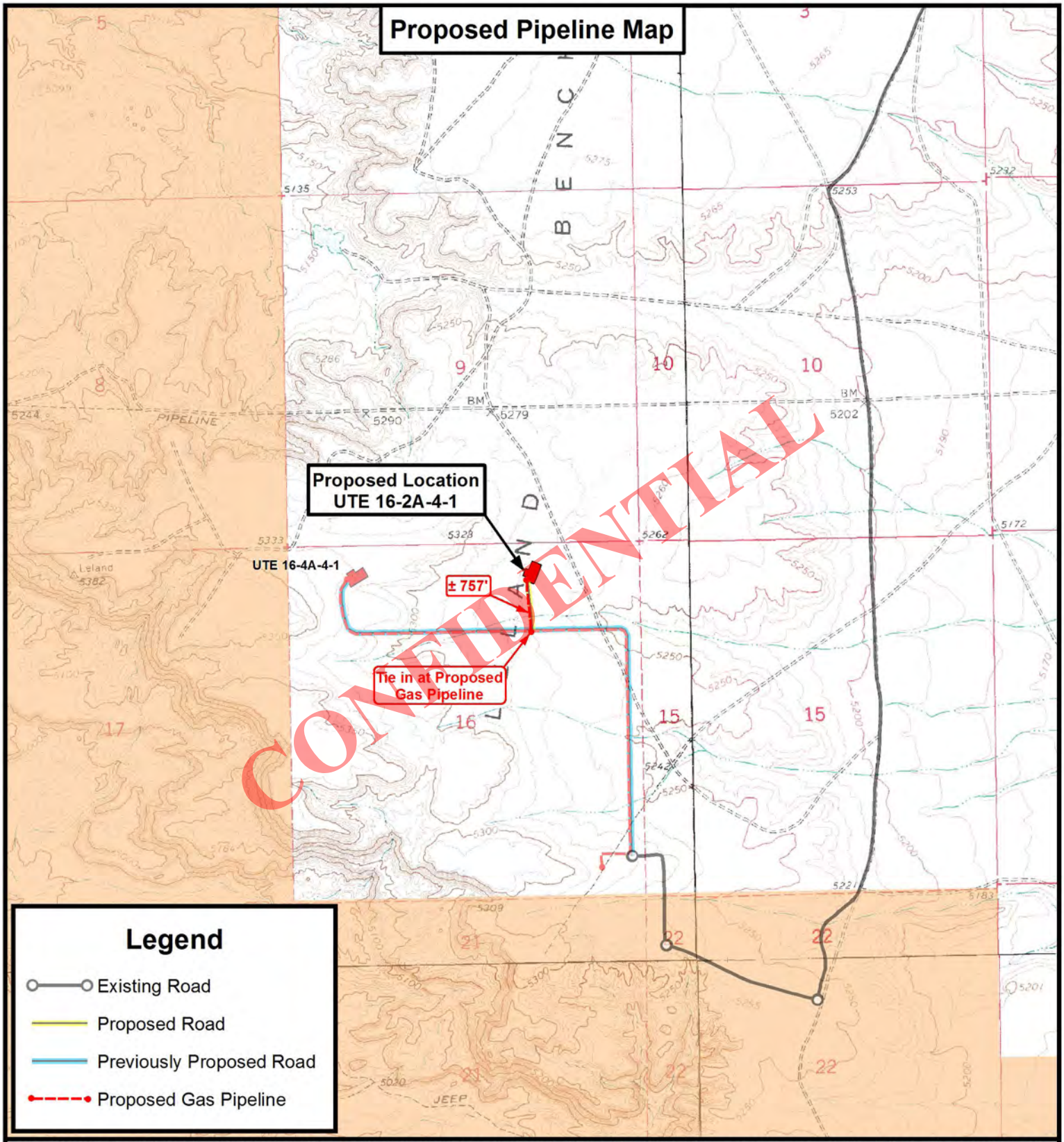
UTE 16-2A-4-1
SEC. 16, T4S, R1E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	D.C.R.	REVISED:
DATE:	12-12-2011	
SCALE:	1 " = 2,000 '	

TOPOGRAPHIC MAP

SHEET B

API Well Number: 43047526630000



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Tri State Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
P: (435) 781-2501
F: (435) 781-2518

N

FINLEY RESOURCES INC.

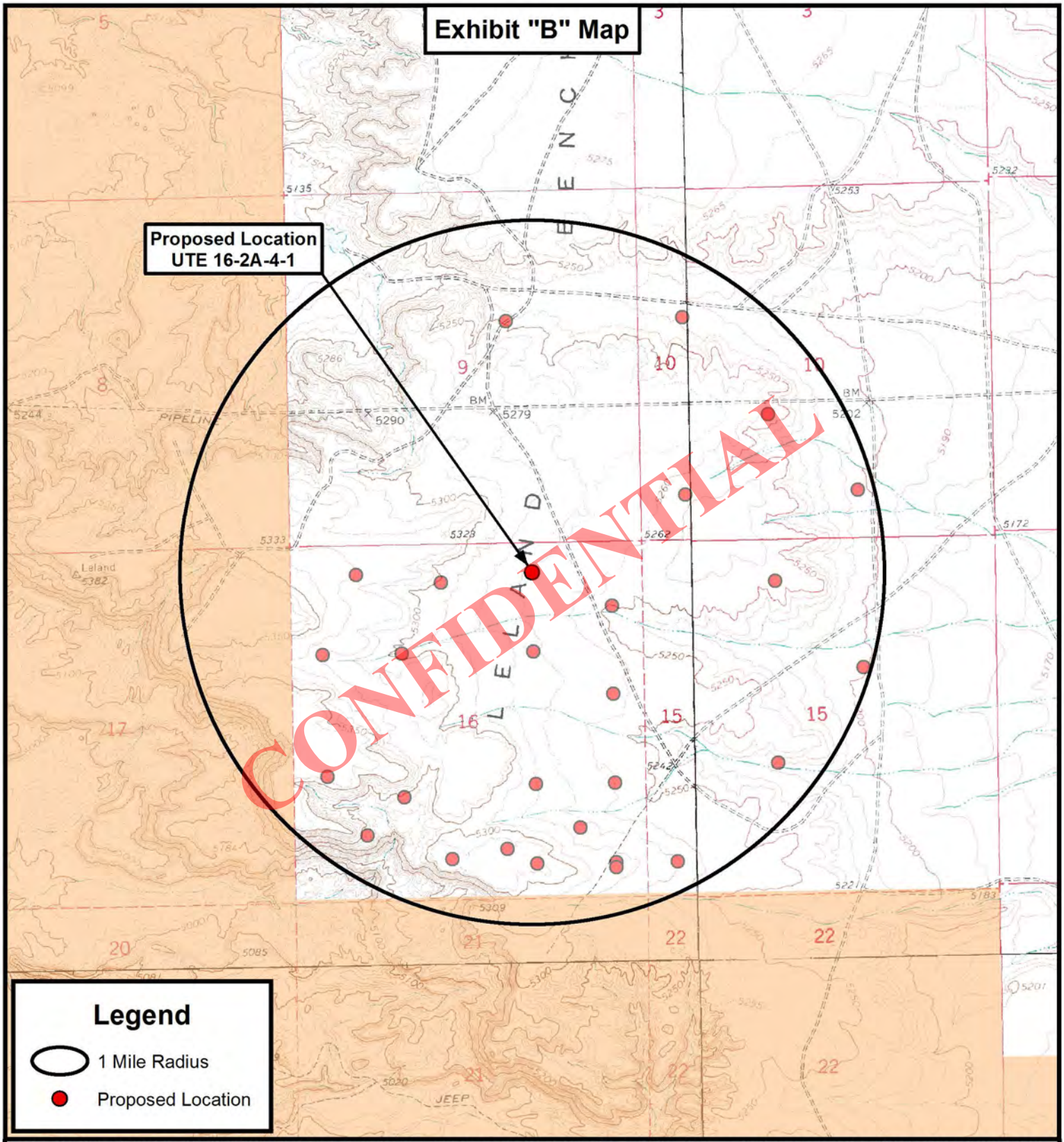
UTE 16-2A-4-1
SEC. 16, T4S, R1E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	D.C.R.	REVISED:
DATE:	12-12-2011	
SCALE:	1 " = 2,000 '	

TOPOGRAPHIC MAP

SHEET C

API Well Number: 43047526630000



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Tri State Land Surveying, Inc.
180 NORTH VERNAL AVE. VERNAL, UTAH 84078
P: (435) 781-2501
F: (435) 781-2518

N

FINLEY RESOURCES INC.

UTE 16-2A-4-1
SEC. 16, T4S, R1E, U.S.B.&M.
Uintah County, UT.

DRAWN BY:	D.C.R.	REVISED:
DATE:	12-12-2011	
SCALE:	1 " = 2,000 '	

TOPOGRAPHIC MAP

SHEET D

MEMORANDUM OF SURFACE USE AGREEMENT
AND GRANT OF EASEMENTS

WHEREAS, Salradus, L.L.C., Bonnie Coleman managing member, whose address is 148 West Center Street, Heber City, UT 84032, Coleman Mountain Holdings, L.L.C., Mary Jo Coleman Adamson managing member, whose address is P.O. Box 610, Roosevelt, UT 84066, Joseph N. Coleman, Trustee of the Coleman Family Trust, dated June 7, 1991, whose address is 393 East Center, Heber City, UT 84032, and Leila Coleman, Trustee of the Coleman Family Trust dated June 28, 1991, whose address is 950 South 400 East #112, St. George, UT 84770 (hereinafter collectively referred to as "Coleman"), and Uintah Resources, Inc. whose address is 3165 E. Millrock Drive, Suite 550, Salt Lake City, UT 84121 ("Optionee"") (Coleman and Optionee are hereinafter collectively referred to as "Owner") and Finley Resources, Inc., whose address is P.O. Box 2200, Fort Worth, Texas, 76113 ("Operator"), have entered into that certain Easement, Right-of-Way and Surface Use Agreement, hereinafter the "SUA", dated effective April 24th, 2012 covering the following lands owned by Owner in Uintah County, Utah, to wit:

Township 4 South, Range 1East, U.S.M.
Section 13: All
Section 16: All
Section 23: N/2

hereinafter the "Lands"

WHEREAS, in the SUA Owner grants and conveys unto Operator a non-exclusive right to enter upon and use the Lands and Owner's adjacent lands for certain oil and gas related purposes, together with a right-of-way across the Lands to maintain and construct access roads, well sites, holding tanks and other such related facilities necessary for Operators oil and gas operations.

This Memorandum of Surface and Damage Agreement shall serve as notice of the agreement covering the Lands and that the SUA is binding upon Owner and Operator's respective successors and/or assigns.

The terms and provisions of the unrecorded SUA are referred to and incorporated herein, and made a part hereof to the same extent as though set out verbatim. Should any conflict arise between the terms of this Memorandum of Surface Use Agreement and Grant of Easements and the SUA, the terms of the SUA shall control.

Executed this 24th day of April, 2012.

OWNER:

Salradus, L.L.C.
Bonnie S. Coleman, managing member
148 West Center Street
Heber City, UT 84032

Coleman Mountain Holdings, L.L.C.
Mary Jo Coleman Adamson, Managing Member
P.O. Box 610
Roosevelt, UT 84066

Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032

The Coleman Family Trust
Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

Uintah Resources, Inc.
By: Todd Dana
Its: President

OPERATOR:

Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

Coleman Mountain Holdings, L.L.C.
Mary Jo Coleman, managing member.
610 N. Mesa Circle. PO Box 610
Roosevelt, UT 84066

Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032

The Coleman Family Trust
Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

Uintah Resources, Inc.
By: ~~Todd Dana~~ Vincent J Memmott
Its: President

OPERATOR:

Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

Coleman Mountain Holdings, L.L.C.
Mary Jo Coleman Adamson, Managing Member
P.O. Box 610
Roosevelt, UT 84066

Coleman Family Trust
Joseph N. Coleman, Trustee
393 East Center
Heber City, UT 84032

The Coleman Family Trust
Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

Uintah Resources, Inc.
By: Todd Dana
Its: President

OPERATOR:

Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

API Well Number: 43047526630000

Leila Coleman, Trustee
950 South 400 East #112
St. George, UT 84770

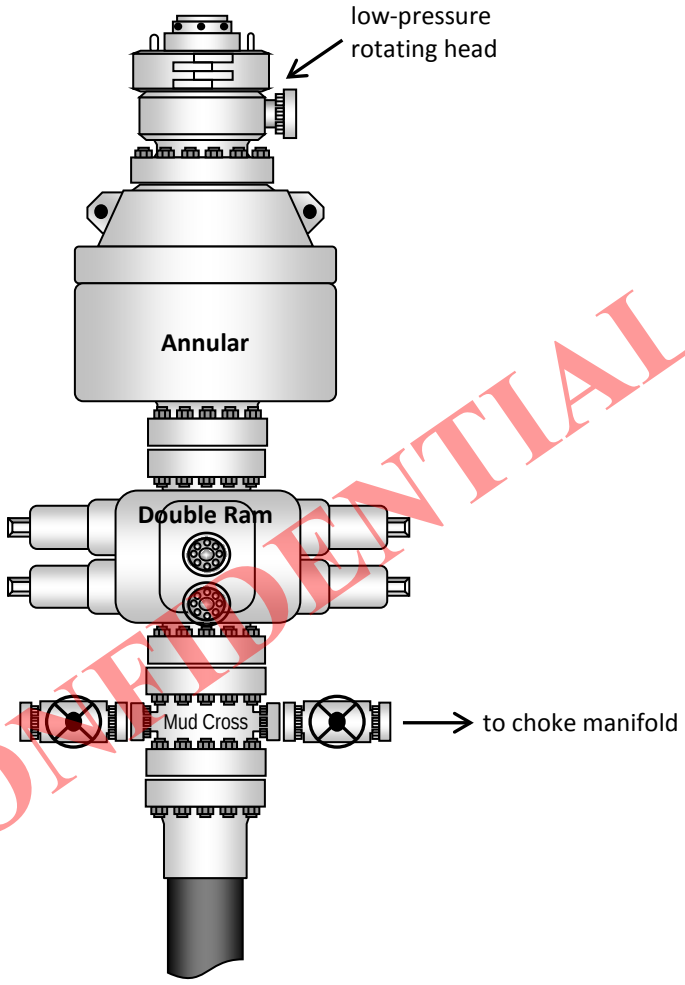
Uintah Resources, Inc.
By: Todd Dana
Its: President

OPERATOR:

Finley Resources Inc.
By: Clinton Koerth
Its: Vice President

Exhibit "E"

Typical 5M BOP stack configuration



RECEIVED: May 14, 2012

Star Point
Enterprises, Inc.

2580 Creekview Road
Moab, Utah 84532
435/719-2018

May 15, 2012

Mrs. Diana Mason
State of Utah
Division of Oil Gas and Mining
P.O. Box 145801
Salt Lake City, Utah 84114-5801

RE: Request for Exception to Spacing – Finley Resources, Inc. – **Ute 16-2A-4-1**
462' FNL & 1,650' FEL, NW/4 NE/4, Section 16, T4S, R1E, USB&M
Uintah County, Utah

Dear Diana:

Finley Resources, Inc. respectfully submits this request for exception to spacing (R649-3-2) based on topography since the well is located less than 460 feet to the drilling unit boundary. Finley Resources, Inc. is the only owner and operator within 460 feet of the surface and target location as well as all points along the intended well bore path and are not within 460 feet of any uncommitted tracts or a unit boundary.

Thank you very much for your timely consideration of this application. Please feel free to contact Matthew Cooper of Finley Resources, Inc. at 817-231-8738 or myself should you have any questions or need additional information.

Sincerely,

Don Hamilton

Don Hamilton
Agent for Finley Resources, Inc.

cc: Matthew Cooper, Finley Resources, Inc.

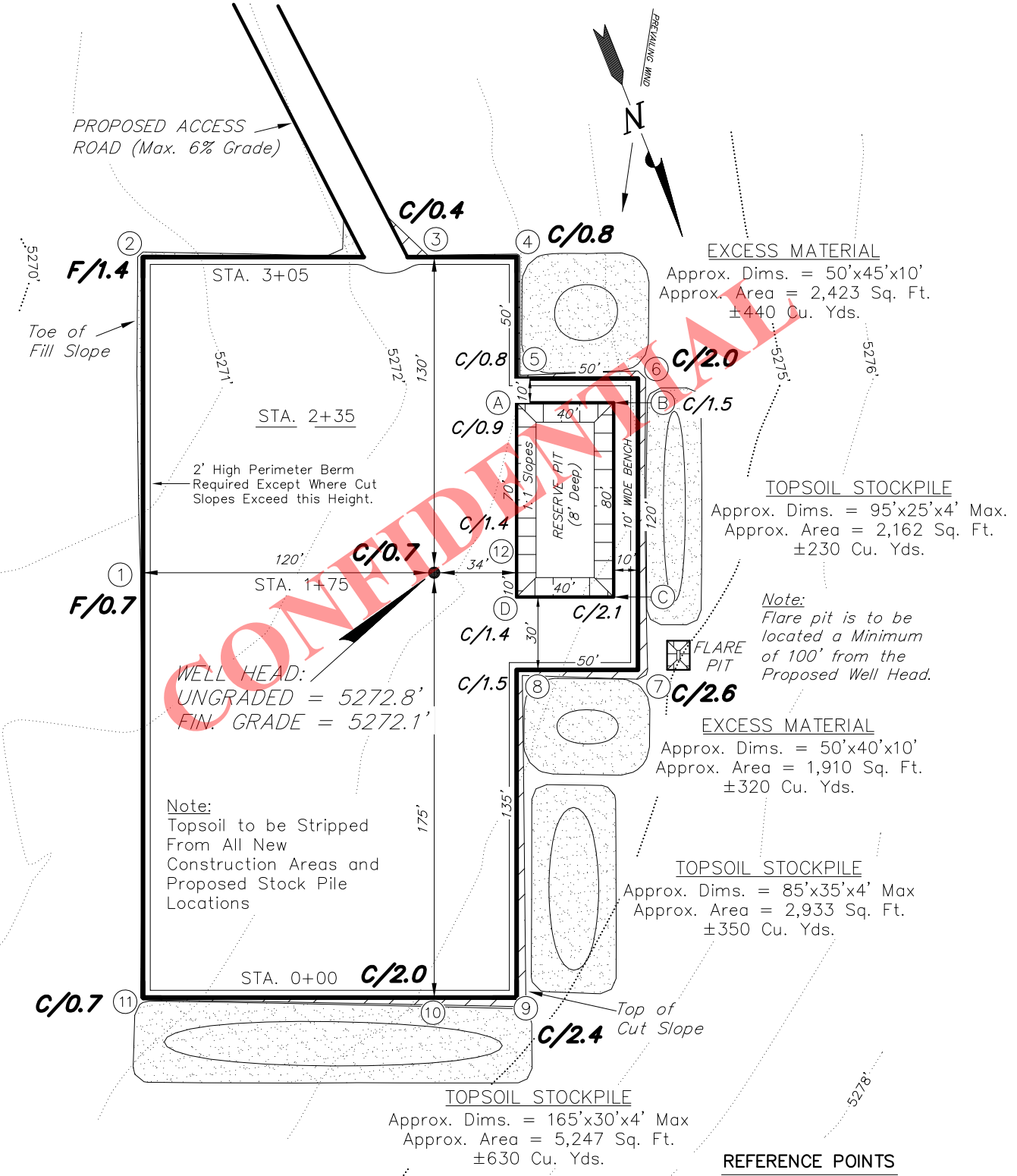
RECEIVED: May 14, 2012

FINLEY RESOURCES INC.

PROPOSED LOCATION LAYOUT

UTE 16-2A-4-1

Pad Location: NWNE Section 16, T4S, R1E, U.S.B.&M.



EXCESS MATERIAL
Approx. Dims. = 50'x45'x10'
Approx. Area = 2,423 Sq. Ft.
±440 Cu. Yds.

TOPSOIL STOCKPILE
Approx. Dims. = 95'x25'x4' Max.
Approx. Area = 2,162 Sq. Ft.
±230 Cu. Yds.

Note:
Flare pit is to be located a Minimum of 100' from the Proposed Well Head.

FLARE PIT

EXCESS MATERIAL
Approx. Dims. = 50'x40'x10'
Approx. Area = 1,910 Sq. Ft.
±320 Cu. Yds.

TOPSOIL STOCKPILE
Approx. Dims. = 85'x35'x4' Max
Approx. Area = 2,933 Sq. Ft.
±350 Cu. Yds.

TOPSOIL STOCKPILE
Approx. Dims. = 165'x30'x4' Max
Approx. Area = 5,247 Sq. Ft.
±630 Cu. Yds.

NOTE:
The topsoil & excess material areas are calculated as being mounds containing 1,970 cubic yards of dirt (a 10% fluff factor is included). The mound areas are calculated with push slopes of 1.5:1 & fall slopes of 1.5:1.

REFERENCE POINTS

225' NORTHEASTERLY – 5274.9'
275' NORTHEASTERLY – 5275.5'
170' SOUTHEASTERLY – 5271.0'
220' SOUTHEASTERLY – 5270.8'

SURVEYED BY:	C.D.S.	DATE SURVEYED:	11-06-11
DRAWN BY:	R.B.T.	DATE DRAWN:	12-09-11
SCALE:	1" = 60'	REVISED:	

Tri State Land Surveying, Inc. (435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

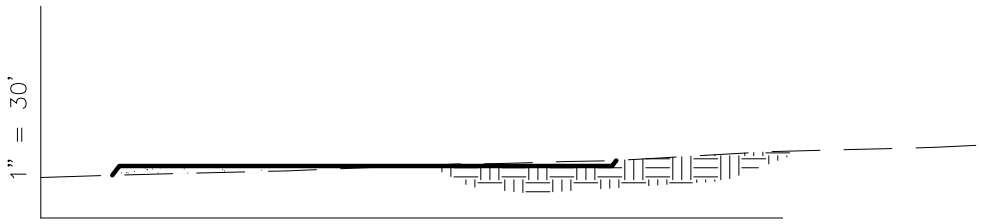
RECEIVED: May 14, 2012

FINLEY RESOURCES INC.

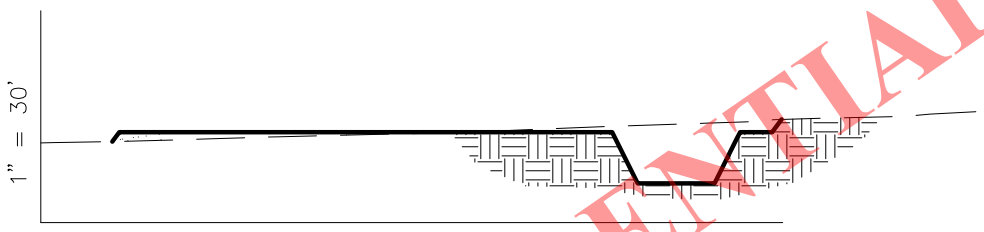
CROSS SECTIONS

UTE 16-2A-4-1

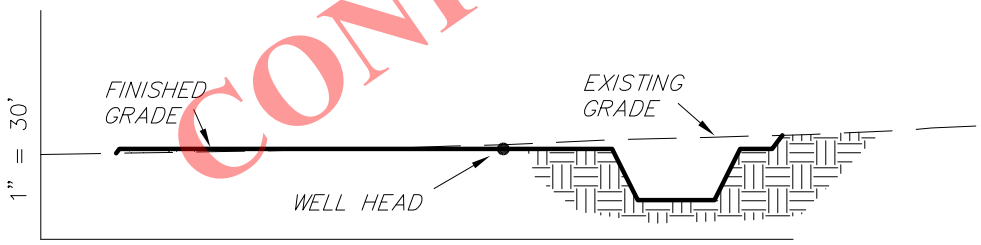
Pad Location: NWNE Section 16, T4S, R1E, U.S.B.&M.



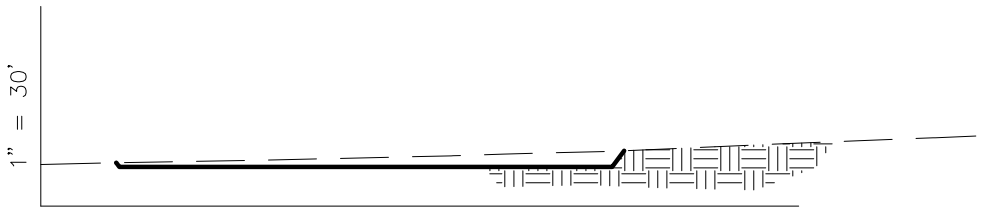
STA. 3+05



STA. 2+35



STA. 1+75



STA. 0+00

NOTE:
UNLESS OTHERWISE
NOTED ALL CUT/FILL
SLOPES ARE AT 1.5:1

ESTIMATED EARTHWORK QUANTITIES
(No Shrink or swell adjustments have been used)
(Expressed in Cubic Yards)

ITEM	CUT	FILL	6" TOPSOIL	EXCESS
PAD	770	770	Topsoil is not included in Pad Cut Volume	0
PIT	690	0		690
TOTALS	1,460	770	1,100	690

SURVEYED BY:	C.D.S.	DATE SURVEYED:	11-06-11
DRAWN BY:	R.B.T.	DATE DRAWN:	12-09-11
SCALE:	1" = 60'	REVISED:	

Tri State Land Surveying, Inc. (435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

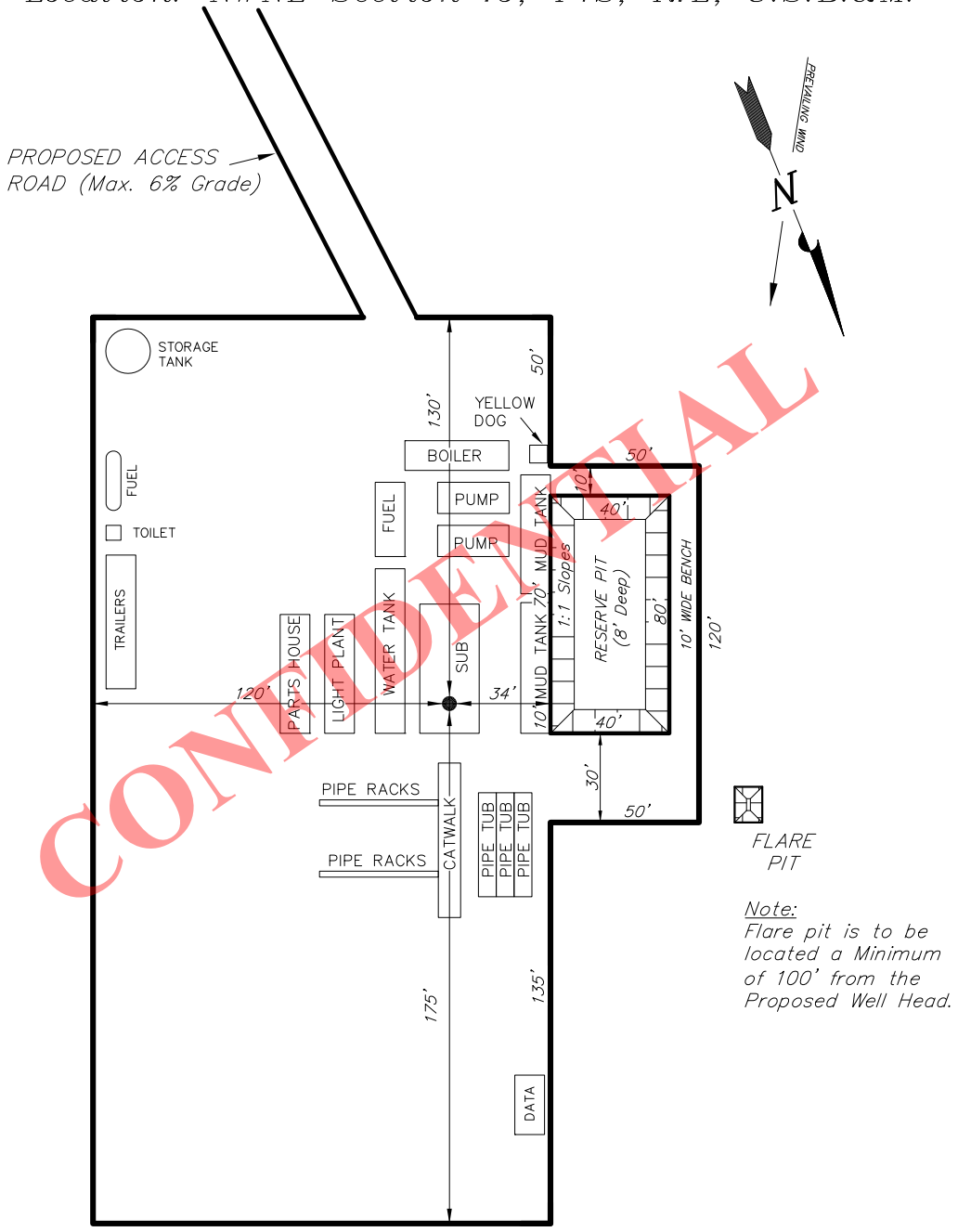
RECEIVED: May 14, 2012

FINLEY RESOURCES INC.

TYPICAL RIG LAYOUT

UTE 16-2A-4-1

Pad Location: NWNE Section 16, T4S, R1E, U.S.B.&M.



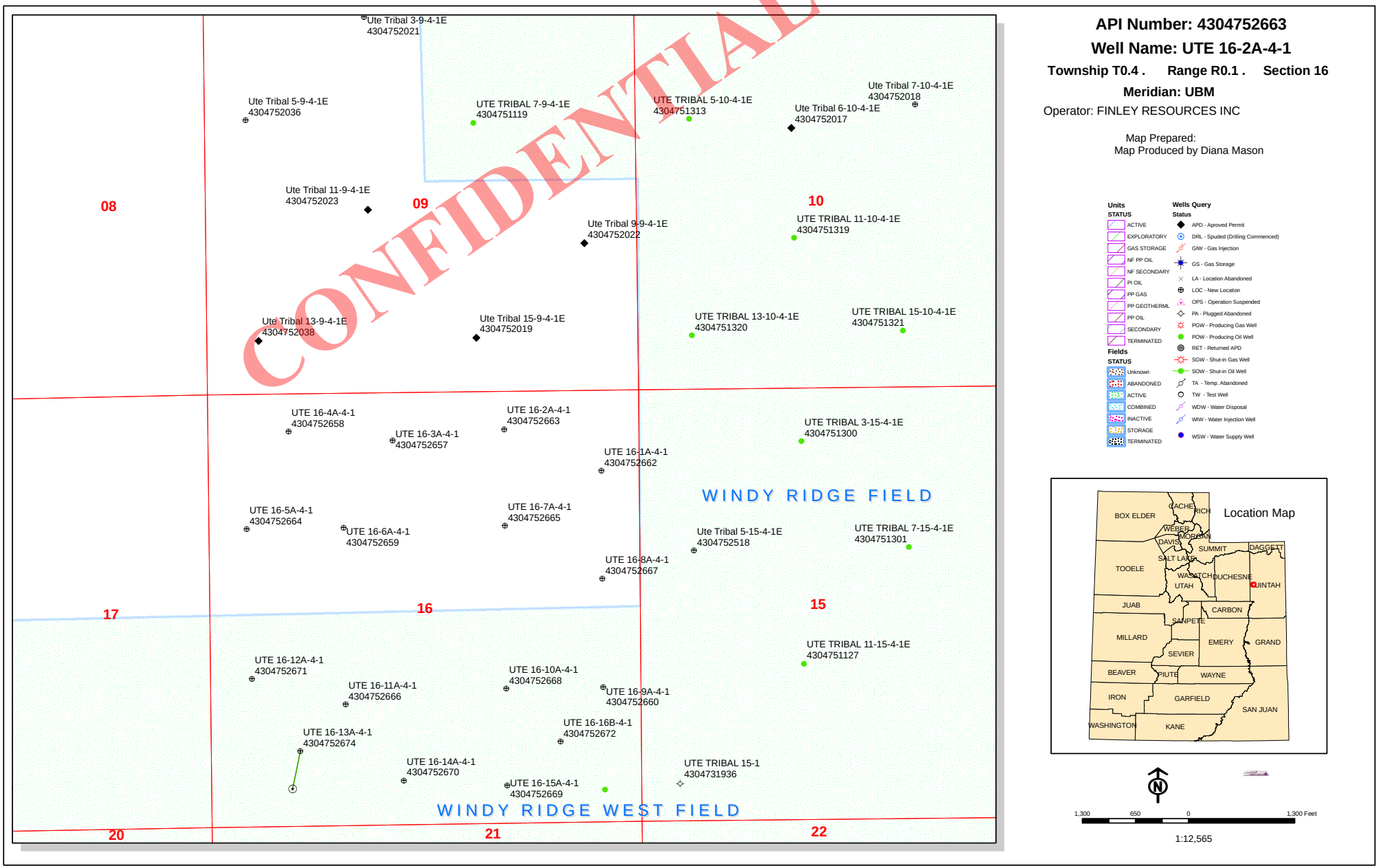
Note:
Flare pit is to be located a Minimum of 100' from the Proposed Well Head.

SURVEYED BY:	C.D.S.	DATE SURVEYED:	11-06-11
DRAWN BY:	R.B.T.	DATE DRAWN:	12-09-11
SCALE:	1" = 60'	REVISED:	

Tri State Land Surveying, Inc.
(435) 781-2501
180 NORTH VERNAL AVE. VERNAL, UTAH 84078

RECEIVED: May 14, 2012

API Well Number: 43047526630000



API Number: 4304752663

Well Name: UTE 16-2A-4-1

Township T0.4 . Range R0.1 . Section 16

Meridian: UBM

Operator: FINLEY RESOURCES INC

Map Prepared:
Map Produced by Diana Mason

Units
STATUS
ACTIVE
EXPLORATORY
GAS STORAGE
NF PP OIL
NF SECONDARY
PI OIL
PP GAS
PP GEOTHERML
PP OIL
SECONDARY
TERMINATED

Fields
STATUS
Unknown
ABANDONED
ACTIVE
COMBINED
INACTIVE
STORAGE
TERMINATED

Wells Query
Status
APD - Aproved Permit
DRL - Spuded (Drilling Commenced)
GIW - Gas Injection
GS - Gas Storage
LA - Location Abandoned
LOC - New Location
OPS - Operation Suspended
PA - Plugged Abandoned
PGW - Producing Gas Well
POW - Producing Oil Well
RET - Returned APD
SGW - Shut-in Gas Well
SOW - Shut-in Oil Well
TA - Temp. Abandoned
TW - Test Well
WDW - Water Disposal
WIW - Water Injection Well
WSW - Water Supply Well

1,300 650 0 1,300 Feet

1:12,565

RECEIVED: May 17, 2012

ON-SITE PREDRILL EVALUATION
Utah Division of Oil, Gas and Mining

Operator FINLEY RESOURCES INC
Well Name UTE 16-2A-4-1
API Number 43047526630000 **APD No** 5920 **Field/Unit** UNDESIGNATED
Location: 1/4,1/4 NWNE **Sec** 16 **Tw** 4.0S **Rng** 1.0E 462 FNL 1650 FEL
GPS Coord (UTM) 595044 4444008 **Surface Owner** Coleman, et al.

Participants

ed Smith (DOGM), Clay O'Neil, Matthew Cooper(Finley), Bill Civish (BLM), Don Hamilton (Star Point Enterprises), Mary Jo, Scott.Cody, and Bert Coleman, (Coleman Brothers),Dayton Slaugh (Tri-State Survey)

Regional/Local Setting & Topography

The general area is on Leland Bench, which is located about 14 miles south of Fort Duchesne, Uintah County, Utah. Broad flats with low growing desert shrub type vegetation characterize the area. A few rolling hills and slopes leading to higher flats occur. The Uinta formation dominates the surface. Soils are dominated by deep sandy clay loams with erosion pavement common on slopes. No springs, seeps or flowing streams are known to occur in the area. The Duchesne River is approximately 4 miles to the north and is the nearest source of flowing water. All lands in the immediate area are privately owned. Solid blocks or scattered Ute Tribal lands surround the area.

Access to the proposed well site is by State of Utah or Uintah County roads and existing or proposed oilfield development roads. Distance from Randlett, Utah is approximately 7 miles. Approximately 729 feet of new road will be constructed to reach the pad.

The proposed pad for the Ute 16-2A-4-1 oil well is laid out in a southwest to northeast direction. Maximum cut is 2.6 feet at Location Corner 7. The location is within the normal drilling window and appears to be a good site for constructing a pad, drilling and operating a well.

Coleman Brothers LLC. own the surface. Mary Jo, Scott, Cody, and Bert Coleman represented the Colman Brothers and had no problems with the site.

Surface Use Plan

Current Surface Use
Grazing
Wildlfe Habitat

New Road Miles	Well Pad	Src Const Material	Surface Formation
0.13	**Width** 150 **Length** 300	Onsite	ALLU

Ancillary Facilities N

Waste Management Plan Adequate?

Environmental Parameters

Affected Floodplains and/or Wetlands N

RECEIVED: July 02, 2012

Flora / Fauna

Overall vegetation at this site is fair. The vegetation on Leland Bench is a desert shrub/forb type. Similar species are common throughout the area. Principal species are shadscale, bud sage, winter fat, horsebrush, broom snakeweed, Indian ricegrass, needle and thread grass, curly mesquite grass, scarlet globe mallow, matt and Gardiner saltbrush, hordeum jabutum and annual mustards. A few occurrences of cheat grass, rabbit brush, buckwheat, Mormon tea and other species occur but are not common. Impacts from past and current grazing do not exist.

Because of the lack of water and cover the area is not rich in fauna. Species include antelope, coyotes and small mammals and rodents. Some shrub dependent birds may occur but were not observed. Historically, but not currently, sheep and wild horses grazed the area. Light winter cattle grazing currently exist.

Soil Type and Characteristics

Soils are a moderately deep sandy loam

Erosion Issues N

Sedimentation Issues N

Site Stability Issues N

Drainage Diverson Required? N

Berm Required? N

Erosion Sedimentation Control Required? N

Paleo Survey Run? Y **Paleo Potental Observed?** N **Cultural Survey Run?** Y **Cultural Resources?** N

Reserve Pit

Site-Specific Factors		Site Ranking	
Distance to Groundwater (feet)	100 to 200	5	
Distance to Surface Water (feet)	>1000	0	
Dist. Nearest Municipal Well (ft)	>5280	0	
Distance to Other Wells (feet)	>1320	0	
Native Soil Type	Mod permeability	10	
Fluid Type	Fresh Water	5	
Drill Cuttings	Normal Rock	0	
Annual Precipitation (inches)		0	
Affected Populations			
Presence Nearby Utility Conduits	Unknown	10	
	Final Score	30	3 Sensitivity Level

Characteristics / Requirements

RECEIVED: July 02, 2012

Reserve pit 40' x 80' x 8' is planned in a cut on the southwest corner of the location. A liner with a minimum thickness of 16-mils is required. A sub-liner may not be needed because of the lack of rock in the area. Flare pit will be constructed 10' x 20' x 5 '

Closed Loop Mud Required? N **Liner Required?** Y **Liner Thickness** 16 **Pit Underlayment Required?** N

Other Observations / Comments

Coleman Brothers LLC. own the surface. Mary Jo, Scott, Cody, Bert Coleman attended the presite. A signed surface use agreement has been completed. The Colman Brothers and had no problems with the site.

Ted Smith	6/6/2012
Evaluator	**Date / Time**

RECEIVED: July 02, 2012

Application for Permit to Drill
Statement of Basis
Utah Division of Oil, Gas and Mining

APD No	API WellNo	Status	Well Type	Surf Owner	CBM
5920	43047526630000	LOCKED	OW	P	No
Operator	FINLEY RESOURCES INC		**Surface Owner-APD**	Coleman, et al.	
Well Name	UTE 16-2A-4-1		**Unit**		
Field	UNDESIGNATED		**Type of Work**	DRILL	
Location	NWNE 16 4S 1E U 462 FNL 1650 FEL GPS Coord (UTM) 595045E 4444006N				

Geologic Statement of Basis

The mineral rights for the proposed well are owned by the Ute Tribe. The BLM will be the agency responsible for evaluating and approving the drilling, casing and cement programs.

Brad Hill	6/20/2012
APD Evaluator	**Date / Time**

Surface Statement of Basis

The general area is on Leland Bench, which is located about 14 miles south of Fort Duchesne, Uintah County, Utah. Broad flats with low growing desert shrub type vegetation characterize the area. A few rolling hills and slopes leading to higher flats occur. The Uinta formation dominates the surface. Soils are dominated by deep sandy clay loams with erosion pavement common on slopes. No springs, seeps or flowing streams are known to occur in the area. The Duchesne River is approximately 4 miles to the north and is the nearest source of flowing water. All lands in the immediate area are privately owned. Solid blocks or scattered Ute Tribal lands surround the area.

Access to the proposed well site is by State of Utah or Uintah County roads and existing or proposed oilfield development roads. Distance from Randlett, Utah is approximately 7 miles. Approximately 729 feet of new road will be constructed to reach the pad.

The proposed pad for the Ute 16-2A-4-1 oil well is laid out in a northeast to southwest direction across a flat with a slight slope to the southeast. Maximum cut is 2.6 feet at Location Corner 7. The location is within the normal drilling window and appears to be a good site for constructing a pad, drilling and operating a well.

Coleman Brothers LLC. own the surface. Mary Jo, Scott, Docy, Bert Coleman attended the presite. A signed surface use agreement has been completed. The Colman Brothers and had no problems with the site.

The minerals are owned by the United States Government and held in trust for the Ute Indian Tribe.

Uintah County has recently passed a new ordinance to regulate extraction industries. This ordinance requires a conditional use permit for all oil or gas wells in areas not zoned as industrial. Ute Energy is required to obtain a permit for this and other wells on Leland Bench.

RECEIVED: July 02, 2012

Ted Smith	6/6/2012
Onsite Evaluator	**Date / Time**

Conditions of Approval / Application for Permit to Drill

Category	Condition
Pits	A synthetic liner with a minimum thickness of 16 mils shall be properly installed and maintained in the reserve pit.
Surface	The reserve pit shall be fenced upon completion of drilling operations.

RECEIVED: July 02, 2012

API Well Number: 43047526630000

WORKSHEET
APPLICATION FOR PERMIT TO DRILL

APD RECEIVED: 5/14/2012
API NO. ASSIGNED: 43047526630000
WELL NAME: UTE 16-2A-4-1
OPERATOR: FINLEY RESOURCES INC (N3460)
PHONE NUMBER: 435 719-2018
CONTACT: Don Hamilton

PROPOSED LOCATION: NWNE 16 040S 010E
Permit Tech Review: ☑

SURFACE: 0462 FNL 1650 FEL
Engineering Review: ☐

BOTTOM: 0462 FNL 1650 FEL
Geology Review: ☑

COUNTY: UINTAH
LATITUDE: 40.14102
LONGITUDE: -109.88425
UTM SURF EASTINGS: 595045.00
NORTHINGS: 4444006.00
FIELD NAME: UNDESIGNATED
LEASE TYPE: 2 - Indian
LEASE NUMBER: 14-20-H62-4896
PROPOSED PRODUCING FORMATION(S): WASATCH
SURFACE OWNER: 4 - Fee
COALBED METHANE: NO

RECEIVED AND/OR REVIEWED:

- ☑ **PLAT**
- ☑ **Bond:** INDIAN - RLB 0011294
- ☐ **Potash**
- ☐ **Oil Shale 190-5**
- ☐ **Oil Shale 190-3**
- ☐ **Oil Shale 190-13**
- ☑ **Water Permit:** 43-8496
- ☐ **RDCC Review:**
- ☑ **Fee Surface Agreement**
- ☐ **Intent to Commingle**

Commingling Approved

LOCATION AND SITING:

- ☐ **R649-2-3.**

Unit:

- ☐ **R649-3-2. General**
- ☑ **R649-3-3. Exception**
- ☑ **Drilling Unit**

Board Cause No: R649-3-3
Effective Date:
Siting:

- ☐ **R649-3-11. Directional Drill**

Comments: Presite Completed

Stipulations:
1 - Exception Location - dmason
4 - Federal Approval - dmason
5 - Statement of Basis - bhill
23 - Spacing - dmason

RECEIVED: July 02, 2012

GARY R. HERBERT
Governor
GREGORY S. BELL
Lieutenant Governor

State of Utah
DEPARTMENT OF NATURAL RESOURCES
MICHAEL R. STYLER
Executive Director
Division of Oil, Gas and Mining
JOHN R. BAZA
Division Director

Permit To Drill
****

Well Name: UTE 16-2A-4-1
API Well Number: 43047526630000
Lease Number: 14-20-H62-4896
Surface Owner: FEE (PRIVATE)
Approval Date: 7/2/2012

Issued to:
FINLEY RESOURCES INC , PO Box 2200, Fort Worth, TX 76113

Authority:
Pursuant to Utah Code Ann. 40-6-1 et seq., and Utah Administrative Code R649-3-1 et seq., the Utah Division of Oil, Gas and Mining issues conditions of approval, and permit to drill the listed well. This permit is issued in accordance with the requirements of R649-3-3. The expected producing formation or pool is the WASATCH Formation(s), completion into any other zones will require filing a Sundry Notice (Form 9). Completion and commingling of more than one pool will require approval in accordance with R649-3-22.

Duration:
This approval shall expire one year from the above date unless substantial and continuous operation is underway, or a request for extension is made prior to the expiration date

Exception Location:
Appropriate information has been submitted to DOGM and administrative approval of the requested exception location is hereby granted.

General:
Compliance with the requirements of Utah Admin. R. 649-1 et seq., the Oil and Gas Conservation General Rules, and the applicable terms and provisions of the approved Application for permit to drill.

Conditions of Approval:
State approval of this well does not supercede the required federal approval, which must be obtained prior to drilling.

This proposed well is located in an area for which drilling units (well spacing patterns) have not been established through an order of the Board of Oil, Gas and Mining (the “Board”). In order to avoid the possibility of waste or injury to correlative rights, the operator is requested, once the well has been drilled, completed, and has produced, to analyze geological and engineering data generated therefrom, as well as any similar data from surrounding areas if available. As soon as is practicable after completion of its analysis, and if the analysis suggests an area larger than the quarter-quarter section upon which the well is located is being

drained, the operator is requested to seek an appropriate order from the Board establishing drilling and spacing units in conformance with such analysis by filing a Request for Agency Action with the Board.

Compliance with the Conditions of Approval/Application for Permit to Drill outlined in the Statement of Basis (copy attached).

Notification Requirements:
The operator is required to notify the Division of Oil, Gas and Mining of the following actions during drilling of this well:

- Within 24 hours following the spudding of the well - contact Carol Daniels at 801-538-5284
  (please leave a voicemail message if not available)
  OR
  submit an electronic sundry notice (pre-registration required) via the Utah Oil & Gas website
  at http://oilgas.ogm.utah.gov

Reporting Requirements:
All reports, forms and submittals as required by the Utah Oil and Gas Conservation General Rules will be promptly filed with the Division of Oil, Gas and Mining, including but not limited to:

- Entity Action Form (Form 6) - due within 5 days of spudding the well
- Monthly Status Report (Form 9) - due by 5th day of the following calendar month
- Requests to Change Plans (Form 9) - due prior to implementation
- Written Notice of Emergency Changes (Form 9) - due within 5 days
- Notice of Operations Suspension or Resumption (Form 9) - due prior to implementation
- Report of Water Encountered (Form 7) - due within 30 days after completion
- Well Completion Report (Form 8) - due within 30 days after completion or plugging

Approved By:

For John Rogers
Associate Director, Oil & Gas

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
14-20-H62-4896

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER:
43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER:
817 231-8735 Ext

9. FIELD and POOL or WILDCAT:
WINDY RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 11/15/2012	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	✓ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
☐ SPUD REPORT Date of Spud:	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Finley Resources Inc. respectfully submits this Sundry Notice requesting to change and extend the surface casing for this well. An updated Drilling Program reflecting these requested changes is attached.

Accepted by the Utah Division of Oil, Gas and Mining

Date: November 15, 2012

By: Dark K Quist

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
Don Hamilton	435 719-2018	Agent
SIGNATURE		**DATE**
N/A		11/9/2012

RECEIVED: Nov. 09, 2012

Finley Resources, Inc.
UTE 16-2A-4-1
462' FNL & 1650' FEL, NW/4 NE/4, Sec 16, T4S, R1E, U.S.B.&M.
Uintah County, UT

Drilling Program

1. Formation Tops

Surface	5,273'
Green River	2,533'
Black Shale	6,443'
Uteland Butte	6,993'
Wasatch	7,403'
TD	8,500'

2. Depth to Oil, Gas, Water, or Minerals

Black Shale	6,443'	- 6,993'	(Oil)
Uteland Butte	6,993'	- TD	(Oil)

Fresh water may be encountered in the Duchesne Formation, but is not expected below about 300'.

3. Pressure Control

Section	BOP Description
Surface	12-1/4" diverter
Interm/Prod	The BOP and related equipment shall meet the minimum requirements of Onshore Oil and Gas Order No. 2 for equipment and testing requirements, procedures, etc for a 5M system. A 5M BOP system will consist of 2 ram preventers (double or two singles) and an annular preventer (see attached diagram). A choke manifold rated to at least 5,000 psi will be used.

4. Casing

Description	Interval		Weight (ppf)	Grade	Coup	Pore Press @ Shoe	MW @ Shoe	Frac Grad @ Shoe	Safety Factors		
	Top	Bottom							Burst	Collapse	Tension
Conductor	0'	60'	48	H-40	STC	--	--	--	1,730	770	322,000
13 3/8									--	--	--
Surface	0'	500'	24	J-55	STC	8.33	8.6	11	2,950	1,370	244,000
8 5/8									11.59	8.25	20.33
Production	0'	8,500'	15.5	J-55	LTC	9	9.5	11	4,810	4,040	217,000
5 1/2									1.54	1.21	1.65

RECEIVED: Nov. 09, 2012

Assumptions:

Surface casing MASP = (frac gradient + 1.0 ppg) - (gas gradient)
Intermediate casing MASP = (reservoir pressure) - (gas gradient)
Production casing MASP = (reservoir pressure) - (gas gradient)
All collapse calculations assume fully evacuated casing with a gas gradient
All tension calculations assume air weight of casing
Gas gradient = 0.1 psi/ft

All casing shall be new. Top Joint of surface casing will be J-55 STC 32 ppf casing.
All casing strings shall have a minimum of 1 centralizer on each of the bottom 3 joints.

5. Cement

Job	Hole Size	Fill	Slurry Description	ft^3 / sacks	OH excess	Weight (ppg)	Yield (ft^3/sk)
Conductor	17 1/2	60'	Class G w/ 2% KCl + 0.25 lbs/sk Cello Flake	48 / 41	15%	15.8	1.17
Surface Lead	12 1/4	500'	Class G w/ 2% KCl + 0.25 lbs/sk Flocele	413 / 359	100%	15.8	1.15
Production Tail	7 7/8	5,500'	50/50 Poz/Class G w/ 3% KCl + 2% bentonite	1191 / 961	25%	13.2	1.24

The surface casing will be cemented to surface. In the event that cement does not reach surface during the primary cement job, a remedial job will be performed.

Actual cement volumes for the production casing string will be calculated from an open hole caliper log, plus 25% excess.

6. Type and Characteristics of Proposed Circulating Medium

Interval	Description
Surface - 500'	An air and/or fresh water system will be utilized.
500' - TD	A water based mud system will be utilized. Hole stability may be improved with additions of KCl or a similar inhibitive substance. In order to control formation pressure the system will be weighted with additions of bentonite, and if conditions warrant, with barite. Anticipated maximum mud weight is 9.5 ppg.

7. Logging, Coring, and Testing

Logging: A dual induction, gamma ray, and caliper log will be run from TD to the base of the surface casing. A compensated neutron/formation density log will be run from TD to the top of the Garden Gulch formation. A cement bond log will be run from PBTD to the cement top behind the production casing.

Cores: As deemed necessary.

DST: There are no DST's planned for this well.

RECEIVED: Nov. 09, 2012

8. Anticipated Abnormal Pressure or Temperature

Maximum anticipated bottomhole pressure will be approximately equal to total depth (feet) multiplied by a 0.47 psi/ft gradient.

8,500' x 0.47 psi/ft = 3978 psi

No abnormal temperature is expected. No H_2S is expected.

9. Other Aspects

This is planned as a vertical well.

Variance Request for FIT Requirements:

Finley Resources, Inc. respectfully requests a variance to Onshore Order 2, Section III, Part Bi, for the Pressure integrity test (PIT, also known as a formation integrity test (FIT)). This well is not an exploratory well and is being drilled in an area where the formation integrity is well known. Additionally, when an FIT is run with the mud weight as required, the casing shoe frequently breaks down and causes subsequent lost circulation when drilling the entire depth of the well.

Variance Request for Air Drilling Requirements:

Finley Resources, Inc. respectfully requests a variance to Onshore Order #2, III.E.1

- Dust suppression equipment. Variance granted for water mist system to substitute for the dust suppression equipment.
- Blooie line discharge 100’ from the well bore. Variance granted for blooie line discharge to be 75’ from the well bore.
- Compressors located in the opposite direction from the blooie line a minimum of 100’ from the wellbore. Variance granted for truck/trailer mounted air compressors.
- Straight run blooie line. Variance granted for targeted “T’s” at bends.
- Automatic igniter. Variance granted for igniter due to water mist.
- Air drilling operations will be conducted only during drilling of the surface casing hole, there is no history of hydrocarbons being encountered in this hole section in the area where these wells are to be drilled.

RECEIVED: Nov. 09, 2012

Form 3160-3
(August 2007)

RECEIVED

UNITED STATES
DEPARTMENT OF THE INTERIOR JUL 12 2012
BUREAU OF LAND MANAGEMENT

BLM

FORM APPROVED
OMB No. 1004-0136
Expires July 31, 2010

APPLICATION FOR PERMIT TO DRILL OR REENTER

CONFIDENTIAL

1a. Type of Work: ☒ DRILL ☐ REENTER	5. Lease Serial No. 1420H624899
	6. If Indian, Allottee or Tribe Name
	7. If Unit or CA Agreement, Name and No.
1b. Type of Well: ☒ Oil Well ☐ Gas Well ☐ Other ☐ Single Zone ☒ Multiple Zone	8. Lease Name and Well No. UTE 16-2A-4-1
2. Name of Operator FINLEY RESOURCES, INC. Contact: DON S HAMILTON E-Mail: starpoint@etv.net	9. API Well No. 43-047-52063
3a. Address P.O. BOX 2200 FT. WORTH, TX 76113 — 3b. Phone No. (include area code) Ph: 435-719-2018 Fx: 435-719-2019	10. Field and Pool, or Exploratory N/A
4. Location of Well *(Report location clearly and in accordance with any State requirements.*)* At surface NWNE 462FNL 1650FEL 40.141014 N Lat, 109.884176 W Lon At proposed prod. zone NWNE 462FNL 1650FEL 40.141014 N Lat, 109.884176 W Lon	11. Sec., T., R., M., or Blk. and Survey or Area Sec 16 T4S R1E Mer UBM
14. Distance in miles and direction from nearest town or post office* 14.8 MILES SOUTH OF FT DUCHESNE, UTAH	12. County or Parish UINTAH — 13. State UT
15. Distance from proposed location to nearest property or lease line, ft. (Also to nearest drig. unit line, if any) 462 — 16. No. of Acres in Lease 640.00	17. Spacing Unit dedicated to this well 40.00
18. Distance from proposed location to nearest well, drilling, completed, applied for, on this lease, ft. 0 — 19. Proposed Depth 8500 MD 8500 TVD	20. BLM/BIA Bond No. on file RLB0011294
21. Elevations (Show whether DF, KB, RT, GL, etc. 5273 GL — 22. Approximate date work will start 08/15/2012	23. Estimated duration 60 DAYS

24. Attachments

The following, completed in accordance with the requirements of Onshore Oil and Gas Order No. 1, shall be attached to this form:

1. Well plat certified by a registered surveyor.
2. A Drilling Plan.
3. A Surface Use Plan (if the location is on National Forest System Lands, the SUPO shall be filed with the appropriate Forest Service Office).
4. Bond to cover the operations unless covered by an existing bond on file (see Item 20 above).
5. Operator certification
6. Such other site specific information and/or plans as may be required by the authorized officer.

25. Signature (Electronic Submission)	Name (Printed/Typed) DON S HAMILTON Ph: 435-719-2018	Date 07/08/2012
Title PERMITTING AGENT		
Approved by (Signature)	Name (Printed/Typed) Jerry Kenczka	Date NOV 20 2012
Title Assistant Field Manager Lands & Mineral Resources	Office VERNAL FIELD OFFICE	

Application approval does not warrant or certify the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.
Conditions of approval, if any, are attached. CONDITIONS OF APPROVAL ATTACHED

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

Additional Operator Remarks (see next page)

Electronic Submission #142344 verified by the BLM Well Information System
For FINLEY RESOURCES, INC., sent to the Vernal
Committed to AFMSS for processing by LESLIE ROBINSON on 07/18/2012 ()

NOTICE OF APPROVAL

RECEIVED
NOV 29 2012
DIV. OF OIL, GAS & MINING

**** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ** OPERATOR-SUBMITTED ****

12550978A-E NOS 12/29/11

UNITED STATES DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT
VERNAL FIELD OFFICE
170 South 500 East VERNAL, UT 84078 (435) 781-4400

CONDITIONS OF APPROVAL FOR APPLICATION FOR PERMIT TO DRILL

Company:	**Finley Resources, INC**	**Location:**	**NWNE, Sec. 16, T4S, R1E**
Well No:	**Ute 16-2A-4-1**	**Lease No:**	**14-20-H62-4899**
API No:	**43-047-52663**	**Agreement:**	**N/A**

OFFICE NUMBER: (435) 781-4400

OFFICE FAX NUMBER: (435) 781-3420

A COPY OF THESE CONDITIONS SHALL BE FURNISHED TO YOUR FIELD REPRESENTATIVE TO INSURE COMPLIANCE

All lease and/or unit operations are to be conducted in such a manner that full compliance is made with the applicable laws, regulations (43 CFR Part 3160), and this approved Application for Permit to Drill including Surface and Downhole Conditions of Approval. The operator is considered fully responsible for the actions of his subcontractors. A copy of the approved APD must be on location during construction, drilling, and completion operations. **This permit is approved for a two (2) year period, or until lease expiration, whichever occurs first. An additional extension, up to two (2) years, may be applied for by sundry notice prior to expiration.**

NOTIFICATION REQUIREMENTS

Construction Activity (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	The Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist shall be notified at least 48 hours in advance of any construction activity. The Ute Tribal office is open Monday through Thursday.
Construction Completion (Notify Ute Tribe Energy & Minerals Dept. and BLM Environmental Scientist)	-	Upon completion of the pertinent APD/ROW construction, notify the Ute Tribe Energy & Minerals Dept. for a Tribal Technician to verify the Affidavit of Completion. Notify the BLM Environmental Scientist prior to moving on the drilling rig.
Spud Notice (Notify BLM Petroleum Engineer)	-	Twenty-Four (24) hours prior to spudding the well.
Casing String & Cementing (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to running casing and cementing all casing strings to:blm_ut_vn_opreport@blm.gov.
BOP & Related Equipment Tests (Notify BLM Supv. Petroleum Tech.)	-	Twenty-Four (24) hours prior to initiating pressure tests.
First Production Notice (Notify BLM Petroleum Engineer)	-	Within Five (5) business days after new well begins or production resumes after well has been off production for more than ninety (90) days.

SURFACE USE PROGRAM
CONDITIONS OF APPROVAL (COAs)

- Any deviation of submitted APD's, which includes BBCs surface use plan, and ROW applications the operator will notify the BLM in writing and will receive written authorization of any such change with appropriate authorization.

- The operator will implement "Safety and Emergency Plan." The operator's safety director will ensure its compliance.

- All operator employees and/or authorized personnel (sub-contractors) in the field will have approved applicable APD's, COAs, and ROW permits/authorizations on their person(s) during all phases of construction.

- All vehicular traffic, personnel movement, construction/restoration operations should be confined to the area examined and approved, and to the existing roadways and/or evaluated access routes.

- All personnel should refrain from collecting artifacts, any paleontological fossils, and from disturbing any significant cultural resources in the area.

- The personnel from the BLM should be notified should cultural remains from subsurface deposits be exposed or identified during construction. All construction will cease until resources can be identified and protected properly.

- Production facilities would be painted Juniper Green to blend in with the surrounding habitat, unless otherwise stated from the private land owner agreement.

- Site reclamation would be accomplished for portions of the well pad not needed for production, within 6 months of completion, weather permitting. This also includes any roads, and pipeline areas that have been disturbed as well. Roads and pipeline disturbances can undergo reclamation immediately after the pipeline is installed and after the roads are built. Please contact surface owner or the BLM AO for possible seed mixes to use in the project area. Non-natives can be used; however lbs/ac must be kept low to minimize the chance of a monoculture.

- If the pump head is located in the river channel where larval fish are known to occur, the following measures apply:
    a. do not situate the pump in a low-flow or no-flow area as these habitats tend to concentrate larval fishes;
    b. limit the amount of pumping, to the greatest extent possible, during that period of the year when larval fish may be present (April 1 to August 31); and
    c. limit the amount of pumping, to the greatest extent possible, during the pre-dawn hours as larval drift studies indicate that this is a period of greatest daily activity.
- Screen all pump intakes with 3/32 inch mesh material.
- Approach velocities for intake structures will follow the National Marine Fisheries Service's document "Fish Screening Criteria for Anadromous Salmonids". For projects with an in-stream intake that operate in stream reaches where larval fish may be present, the approach velocity will not exceed 0.33 feet per second (ft/s).

- Report any fish impinged on the intake screen to the Service (801.975.3330) and the Utah Division of Wildlife Resources:

Northeastern Region
318 North Vernal Ave, Vernal, UT 84078
Phone: (435) 781-9453

Finley can only use one of the following water sources listed in Finley's APD.

DOWNHOLE PROGRAM
CONDITIONS OF APPROVAL (COAs)

SITE SPECIFIC DOWNHOLE COAs:

- Surface casing setting depth shall be 500 ft. Surface casing cementing volumes pumped shall be increased and cement shall continue to be brought to surface.
- Additional cement required, for Cementing Program covering Production Casing string. Production casing cement shall be brought up and into the surface.
- Surface casing cement shall be brought to surface.
- A variance is granted for Onshore Order #2 Drilling Operations III. B. I. pressure integrity test (PIT) or formation integrity test (FIT) of surface casing shoe.
- A variance is granted for Onshore Order #2 Drilling Operations III. E. "Blooie line discharge 100 feet from well bore and securely anchored" Blooie line can be 75 feet. All requirements will be adhered to covering air/gas drilling operations as described in Onshore Order #2 III. E. 1. Drilling Operations, Special Drilling Operations, air/gas drilling.

All provisions outlined in Onshore Oil & Gas Order #2 Drilling Operations shall be strictly adhered to. The following items are emphasized:

DRILLING/COMPLETION/PRODUCING OPERATING STANDARDS

- The spud date and time shall be reported orally to Vernal Field Office within 24 hours of spudding.
- Notify Vernal Field Office Supervisory Petroleum Engineering Technician at least 24 hours in advance of casing cementing operations and BOPE & casing pressure tests.
- All requirements listed in Onshore Order #2 III. E. Special Drilling Operations are applicable for air drilling of surface hole.
- Blowout prevention equipment (BOPE) shall remain in use until the well is completed or abandoned. Closing unit controls shall remain unobstructed and readily accessible at all times. Choke manifolds shall be located outside of the rig substructure.
- All BOPE components shall be inspected daily and those inspections shall be recorded in the daily drilling report. Components shall be operated and tested as required by Onshore Oil & Gas Order No. 2 to insure good mechanical working order. All BOPE pressure tests shall be performed by a test pump with a chart recorder and **NOT** by the rig pumps. Test shall be reported in the driller's log.
- BOP drills shall be initially conducted by each drilling crew within 24 hours of drilling out from under the surface casing and weekly thereafter as specified in Onshore Oil & Gas Order No. 2.
- Casing pressure tests are required before drilling out from under all casing strings set and cemented in place.

- No aggressive/fresh hard-banded drill pipe shall be used within casing.

- **Cement baskets shall not be run on surface casing.**

- The operator must report all shows of water or water-bearing sands to the BLM. If flowing water is encountered it must be sampled, analyzed, and a copy of the analyses submitted to the BLM Vernal Field Office.

- The operator must report encounters of all non oil & gas mineral resources (such as Gilsonite, tar sands, oil shale, trona, etc.) to the Vernal Field Office, in writing, within 5 working days of each encounter. Each report shall include the well name/number, well location, date and depth (from KB or GL) of encounter, vertical footage of the encounter and, the name of the person making the report (along with a telephone number) should the BLM need to obtain additional information.

- A complete set of angular deviation and directional surveys of a directional well will be submitted to the Vernal BLM office engineer within 30 days of the completion of the well.

- While actively drilling, chronologic drilling progress reports shall be filed directly with the BLM, Vernal Field Office on a weekly basis in sundry, letter format or e-mail to the Petroleum Engineers until the well is completed.

- A cement bond log (CBL) will be run from the production casing shoe to the top of cement and shall be utilized to determine the bond quality for the production casing. Submit a field copy of the CBL to this office.

- **Please submit an electronic copy of all other logs run on this well in LAS format to BLM_UT_VN_Welllogs@BLM.gov. This submission will supersede the requirement for submittal of paper logs to the BLM.**

- There shall be no deviation from the proposed drilling, completion, and/or workover program as approved. Safe drilling and operating practices must be observed. Any changes in operation must have prior approval from the BLM Vernal Field Office.

OPERATING REQUIREMENT REMINDERS:

- All wells, whether drilling, producing, suspended, or abandoned, shall be identified in accordance with 43 CFR 3162.6. There shall be a sign or marker with the name of the operator, lease serial number, well number, and surveyed description of the well.

- For information regarding production reporting, contact the Office of Natural Resources Revenue (ONRR) at www.ONRR.gov.

- Should the well be successfully completed for production, the BLM Vernal Field office must be notified when it is placed in a producing status. Such notification will be by written communication and must be received in this office by not later than the fifth business day following the date on which the well is placed on production. The notification shall provide, as a minimum, the following informational items:

    - Operator name, address, and telephone number.

    - Well name and number.

    - Well location (¼¼, Sec., Twn, Rng, and P.M.).

    - Date well was placed in a producing status (date of first production for which royalty will be paid).

    - The nature of the well's production, (i.e., crude oil, or crude oil and casing head gas, or natural gas and entrained liquid hydrocarbons).

    - The Federal or Indian lease prefix and number on which the well is located; otherwise the non-Federal or non-Indian land category, i.e., State or private.

    - Unit agreement and/or participating area name and number, if applicable.

    - Communitization agreement number, if applicable.

- Any venting or flaring of gas shall be done in accordance with Notice to Lessees (NTL) 4A and needs prior approval from the BLM Vernal Field Office.

- All undesirable events (fires, accidents, blowouts, spills, discharges) as specified in NTL 3A will be reported to the BLM, Vernal Field Office. Major events, as defined in NTL3A, shall be reported verbally within 24 hours, followed by a written report within 15 days. "Other than Major Events" will be reported in writing within 15 days. "Minor Events" will be reported on the Monthly Report of Operations and Production.

- Whether the well is completed as a dry hole or as a producer, "Well Completion and Recompletion Report and Log" (BLM Form 3160-4) shall be submitted not later than 30 days after completion of the well or after completion of operations being performed, in accordance with 43 CFR 3162.4-1. Two copies of all logs run, core descriptions, and all other surveys or data obtained and compiled during the drilling, workover, and/or completion operations, shall be filed on BLM Form 3160-4. Submit with the well completion report a geologic report including, at a minimum, formation tops, and a summary and conclusions. Also include deviation surveys, sample descriptions, strip logs, core data, drill stem test data, and results of production tests if

performed. Samples (cuttings, fluid, and/or gas) shall be submitted only when requested by the BLM, Vernal Field Office.

- All off-lease storage, off-lease measurement, or commingling on-lease or off-lease, shall have prior written approval from the BLM Vernal Field Office.

- Oil and gas meters shall be calibrated in place prior to any deliveries. The BLM Vernal Field Office Petroleum Engineers will be provided with a date and time for the initial meter calibration and all future meter proving schedules. A copy of the meter calibration reports shall be submitted to the BLM Vernal Field Office. All measurement facilities will conform to the API standards for liquid hydrocarbons and the AGA standards for natural gas measurement. All measurement points shall be identified as the point of sale or allocation for royalty purposes.

- A schematic facilities diagram as required by Onshore Oil & Gas Order No. 3 shall be submitted to the BLM Vernal Field Office within 30 days of installation or first production, whichever occurs first. All site security regulations as specified in Onshore Oil & Gas Order No. 3 shall be adhered to. All product lines entering and leaving hydrocarbon storage tanks will be effectively sealed in accordance with Onshore Oil & Gas Order No. 3.

- Any additional construction, reconstruction, or alterations of facilities, including roads, gathering lines, batteries, etc., which will result in the disturbance of new ground, shall require the filing of a suitable plan and need prior approval of the BLM Vernal Field Office. Emergency approval may be obtained orally, but such approval does not waive the written report requirement.

- No location shall be constructed or moved, no well shall be plugged, and no drilling or workover equipment shall be removed from a well to be placed in a suspended status without prior approval of the BLM Vernal Field Office. If operations are to be suspended for more than 30 days, prior approval of the BLM Vernal Field Office shall be obtained and notification given before resumption of operations.

- Pursuant to Onshore Oil & Gas Order No. 7, this is authorization for pit disposal of water produced from this well for a period of 90 days from the date of initial production. A permanent disposal method must be approved by this office and in operation prior to the end of this 90-day period. In order to meet this deadline, an application for the proposed permanent disposal method shall be submitted along with any necessary water analyses, as soon as possible, but no later than 45 days after the date of first production. Any method of disposal which has not been approved prior to the end of the authorized 90-day period will be considered as an Incident of Noncompliance and will be grounds for issuing a shut-in order until an acceptable manner for disposing of said water is provided and approved by this office.

- Unless the plugging is to take place immediately upon receipt of oral approval, the Field Office Petroleum Engineers must be notified at least 24 hours in advance of the plugging of the well, in order that a representative may witness plugging operations. If a well is suspended or abandoned, all pits must be fenced immediately until they are backfilled. The "Subsequent Report of Abandonment" (Form BLM 3160-5) must be submitted within 30 days after the actual plugging of the well bore, showing location of plugs, amount of cement in each, and amount of casing left in hole, and the current status of the surface restoration.

FORM 9

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5.LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4896

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER: UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER: 43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER: 817 231-8735 Ext

9. FIELD and POOL or WILDCAT: WINDY RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY: UINTAH

STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 1/5/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
January 09, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
April Wilkerson	817 231-8735	Reg & Enviro Analyst
SIGNATURE		**DATE**
N/A		1/9/2013

RECEIVED: Jan. 09, 2013

Form 3160-5
(August 2007)

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB No. 1004-0137
Expires: July 31, 2010

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

SUBMIT IN TRIPLICATE *– Other instructions on page 2.*

5. Lease Serial No.

6. If Indian, Allottee or Tribe Name

7. If Unit of CA/Agreement, Name and/or No.

1. Type of Well
☑ Oil Well ☐ Gas Well ☐ Other

8. Well Name and No.
UTE 16-2A-4-1

2. Name of Operator
Finley Resources, Inc

9. API Well No.
43-047-52663

3a. Address
1308 Lake Street
Fort Worth TX 76102

3b. Phone No. *(include area code)*
817-231-8735

10. Field and Pool or Exploratory Area
Windy Ridge

4. Location of Well *(Footage, Sec., T.,R.,M., or Survey Description)*
462 FNL, 1650 FEL, SEC 16-4S-1E

11. Country or Parish, State
Uintah

12. CHECK THE APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION			
☐ Notice of Intent	☐ Acidize	☐ Deepen	☐ Production (Start/Resume)	☐ Water Shut-Off
	☐ Alter Casing	☐ Fracture Treat	☐ Reclamation	☐ Well Integrity
☑ Subsequent Report	☐ Casing Repair	☐ New Construction	☐ Recomplete	☐ Other Weekly Report
	☐ Change Plans	☐ Plug and Abandon	☐ Temporarily Abandon	
☐ Final Abandonment Notice	☐ Convert to Injection	☐ Plug Back	☐ Water Disposal	

13. Describe Proposed or Completed Operation: Clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports must be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 must be filed once testing has been completed. Final Abandonment Notices must be filed only after all requirements, including reclamation, have been completed and the operator has determined that the site is ready for final inspection.)

Finley Resources has done the following:

On 1/5/2013 MIRU Pro-Petro air mist rig. Spud 12-1/4" hole at 11:00AM on 1/5/13. Air mist 12-1/4" hole to 560'. Run survay at 555' and had 1* dev..POOH and LDDP. RIH with 12 jts.of 8-5/8" 24# J-55 ST&C casing as follows: guide shoe, 1 jt.; baffle plate and 11 jts.of csg.to surface. Used 5 cenralizers on the csg..Set shoe at 542' GL and 495' baffle. RU Pro-Petro cementers and cement surface csg.as follows: Pump 40 bbl.of fresh water, 40 bbl.of gel water followed by 360 sxs.of "G" at 15.8 ppg and drop plug and displace with 30 bbl.of water. Had est.60 sxs.of good cement to surface. Hole standing full. Agencies notified. Report discontinued. Will install csg.head and wait on drilling rig.

14. I hereby certify that the foregoing is true and correct. Name *(Printed/Typed)*
April Wilkerson

Title Regulatory Analyst

Signature April Wilkerson

Date 01/07/2013

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

Approved by	Title	Date
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	

Title 18 U.S.C. Section 1001 and Title 43 U.S.C. Section 1212, make it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.

(Instructions on page 2)

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

SPUDDING INFORMATION

Name of Company; **FINLEY RESOURCES INC**

Well Name: **UTE 16-2A-4-1**

Api No: **43-047-52663** Lease Type **INDIAN – FEE SURF**

Section **16** Township **04S** Range **01E** County **UINTAH**

Drilling Contractor **PETE MARTIN DRLG** RIG # **BUCKET**

SPUDDED:

Date **12/19/2012**

Time **8:00 AM**

How **DRY**

Drilling will Commence: 01/05/2013 11:00 PM PROPETRO DRLG

Reported by **JIM SIMONTON**

Telephone # **(435) 630-1023**

Date **01/08/2013** **Signed** **CHD**

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Finley Resources, Inc

Operator Account Number: N 3460

Address: 1308 Lake Street

city Fort Worth

state TX zip 76102

Phone Number: (817) 231-8735

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52662	Ute 16-1A-4-1	NENE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18897	12/21/2012	2/19/2013

Comments: WSTC

CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52663	Ute 16-2A-4-1	NWNE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18898	1/6/2013	2/19/2013

Comments: WSTC

CONFIDENTIAL

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52665	Ute 16-7A-4-1	SWNE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18899	11/17/2012	2/19/2013

Comments: WSTC

CONFIDENTIAL

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
- C - Re-assign well from one existing entity to another existing entity
- D - Re-assign well from one existing entity to a new entity
- E - Other (Explain in 'comments' section)

April Wilkerson
Name (Please Print)

Signature

Regulatory Analyst
Title

1/15/2013
Date

RECEIVED
FEB 04 2013
Div. of Oil, Gas & Mining

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

FORM 6

ENTITY ACTION FORM

Operator: Finley Resources, Inc

Operator Account Number: N 3460

Address: 1308 Lake Street

city Fort Worth

state TX zip 76102

Phone Number: (817) 231-8735

Well 1

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52662	Ute 16-1A-4-1	NENE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18897	12/21/2012	2/19/2013

Comments: WSTC

CONFIDENTIAL

Well 2

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52663	Ute 16-2A-4-1	NWNE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18898	1/6/2013	2/19/2013

Comments: WSTC

CONFIDENTIAL

Well 3

API Number	Well Name	QQ	Sec	Twp	Rng	County
047-52665	Ute 16-7A-4-1	SWNE	16	4S	1E	Uintah

Action Code	Current Entity Number	New Entity Number	Spud Date	Entity Assignment Effective Date
A	99999	18899	11/17/2012	2/19/2013

Comments: WSTC

CONFIDENTIAL

ACTION CODES:

- A - Establish new entity for new well (single well only)
- B - Add new well to existing entity (group or unit well)
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- E - Other (Explain in 'comments' section)

April Wilkerson
Name (Please Print)

Signature

Regulatory Analyst
Title

1/15/2013
Date

RECEIVED
FEB 04 2013
Div. of Oil, Gas & Mining

(5/2000)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
14-20-H62-4896

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER:
43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER:
817 231-8735 Ext

9. FIELD and POOL or WILDCAT:
WINDY RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 3/22/2013	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

No work has been conducted since 01/05/2013

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
March 22, 2013

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
April Wilkerson	817 231-8735	Reg & Enviro Analyst
SIGNATURE		**DATE**
N/A		3/22/2013

RECEIVED: Mar. 22, 2013

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Finley Resources Rig Name/# CAPSTAR 328
Submitted By Drew Friedrichs Phone Number (435) 828-0601
Well Name/Number UTE 16-2A-4-1
Qtr/Qtr NWNE Section 16 Township 4S Range 1E
Lease Serial Number 1420H624896
API Number 43-047-52663-00-00

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ _____ AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

☐ Surface Casing
☐ Intermediate Casing
☐ Production Casing
☐ Liner
☐ Other

Date/Time _____ __ AM ☐ PM ☐

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BOPE

☐ Initial BOPE test at surface casing point
☐ BOPE test at intermediate casing point
☐ 30 day BOPE test
☐ Other

Date/Time 11/2/13 20:00 AM ☐ PM ☐

Remarks _____
_____

CONFIDENTIAL

BLM - Vernal Field Office - Notification Form

Operator Finley Resources Rig Name/# CAPSTAR 328
Submitted By Lynn Rich Phone Number (435) 828-0601
Well Name/Number UTE 16-2A-4-1
Qtr/Qtr NWNE Section 16 Township 4S Range 1E
Lease Serial Number 1420H624896
API Number 43-047-52663-00-00

Spud Notice – Spud is the initial spudding of the well, not drilling out below a casing string.

Date/Time _____ _____ AM ☐ PM ☐

Casing – Please report time casing run starts, not cementing times.

☐ Surface Casing
☐ Intermediate Casing
☒ Production Casing
☐ Liner
☐ Other

Date/Time 11/10/2013 5:00 AM ☐ PM ☐

BOPE

☐ Initial BOPE test at surface casing point
☐ BOPE test at intermediate casing point
☐ 30 day BOPE test
☐ Other

RECEIVED
NOV 05 2013
DIV. OF OIL, GAS & MINING

Date/Time _____ _____ AM ☐ PM ☐

Remarks _____

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

5.LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4896

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER: UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER: 43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER: 817 231-8735 Ext

9. FIELD and POOL or WILDCAT: WINDY RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY: UINTAH

STATE: UTAH

11.

CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
✓ DRILLING REPORT Report Date: 1/23/2014	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
October 03, 2014

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
April Wilkerson	817 231-8735	Reg & Enviro Analyst
SIGNATURE		**DATE**
N/A		10/1/2014

RECEIVED: Oct. 01, 2014

UTE 16-2A-4-1 11/3/2013 1 Demobe rig from13-15A. riggng up. Install spool and NU BOPE. Test BOPE to 3000# and csg.to 1500#. Complete rigging up and strap BHA. PU BHA and RIH. Repair pit. Drill cement and shoe. 556 0.5 $

UTE 16-2A-4-1 11/4/2013 2 Drill from 556' to 3409'. RS. Surveys. 3409 21 $

UTE 16-2A-4-1 11/5/2013 3 Drill from 3409' to 3955'. Survey (1). RS. Top drive leaking. Pull DP. Work on various top drive segments to repair. Call out mechanic and waiting on mechanic. Hole taking 6 bbl.per hour of fluid. Mechanic on loc..Working on top drive. 3955 10.5 $

UTE 16-2A-4-1 11/6/2013 4 Rig repair. RS. Repair boom. TIH to 3955' and wash 45' to bottom.. Drill from 3955-4000' and top drive still leaking. POOH to pull bit into csg.. Waiting on parts from Casper. 4000 1 $

UTE 16-2A-4-1 11/7/2013 5 Rig repair. RS. TIH and wash 45' to bottom. Surveys (2). Drill from 4000' to 5001. 5001 14 $

UTE 16-2A-4-1 11/8/2013 6 Drill from 5001' to 6336'. surveys (3). RS. 6336 22 $

UTE 16-2A-4-1 11/9/2013 7 Drill from 6336' to 7315'. Surveys (3). RS--Function test rams. 7301 22 $

UTE 16-2A-4-1 11/10/2013 8 Drill from 7301' to TD of 7878'. Surveys (2). Circ.sweep and spot high vis pill. LDDP and BHA. RU loggers and run OH logs. LTD=7875'--no problems. 7878 8 $

UTE 16-2A-4-1 11/11/2013 9 Pull wear bshg.and prep top drive to run csg.. Run 186 jts.of new 5-1/2" 15.5# J-55 LT&C csg..Land shoe at 7868' and float collar at 7822'. . Circ.csg.and RU Halliburton. Cement 5-1/2" csg.with 400 sxs.of 10.5 ppg lead cement and 700 sxs.of 12 ppg tail cement. Final circ.pres.of 1080# and bump plug at 1650# at 7:30PM on 11/10/13. On and off returns. Float held. Remove landing jt.and RD Halliburton. Pack hanger and test to 5K. Clean pits and release Capstar #328 at 11:30PM on 11/10/13. Rig down. 7878 0 $

UTE 16-2A-4-1 11/30/2012 On 11/29/12 MI laRose construction. Perform dirt work on access road and location and pit area. Work is 90% completed. No rock laid yet. $0

UTE 16-2A-4-1 12/11/2012 Location is complete. WO on rat hole rig. $0

UTE 16-2A-4-1 12/14/2012 Location and access road is 100% complete and rocked. $0

UTE 16-2A-4-1 1/6/2013 On 1/5/2013 MIRU Pro-Petro air mist rig. Spud 12-1/4" hole at 11:00AM on 1/5/13. Air mist 12-1/4" hole to 560'. Run survay at 555' and had 1* dev..POOH and LDDP. RIH with 12 jts.of 8-5/8" 24# J-55 ST&C casing as follows: guide shoe, 1 jt.; baffle plate and 11 jts.of csg.to surface. Used 5 cenralizers on the csg..Set shoe at 542' GL and 495' baffle. RU Pro-Petro cementers and cement surface csg.as follows: Pump 40 bbl.of fresh water, 40 bbl.of gel water followed by 360 sxs.of "G" at 15.8 ppg and drop plug and displace with 30 bbl.of water. Had est.60 sxs.of good cement to surface. Hole

RECEIVED: Oct. 01, 2014

standing full. Agencies notified. Report discontinued. Will install csg.head and wait on drilling rig. Costs will follow on a separate sheet. $0

UTE 16-2A-4-1 11/17/2013 On 11/14/13 MIRU Cutters WL and ran a CBL/VDL/GR log from tag at 7807' to surface. Top of tail cement est.at 3100'. Correlated the log to the Halliburton Density log dated 11/10/13. RDMO Cutters. RDUFA. $

UTE 16-2A-4-1 11/26/2013 On 11/22/13 MIRU Cutters WL. Perforate the following the following Wastach intervals at 4 JPF and 90* phasing per the CBL log dated 11/14/13. No pressure prior to or after perforating. Hole Ute 16-2A-4-1: Work performed on 11/25/13 for 11/26/13 report: On 11/25/13 MIRU Baker Hughes frac company and Cutters WL. Zone #1: Frac gross perforated Wasatch interval 7711-7785' down 5-1/2" csg.using a 20# x-link gel water system and 50M# pf 20/40 mesh sand and a total load of 810 bbl..Max.rate=52.7; Ave=42.6; Max.psi=3978#; Ave=3802#; ISIP=3102# (.83). Zone #2: Set a comp.frac plug at 7650'. Perforate the following Wastach intervals at 4 JPF and 90* phasing per the Halliburton density log using a 3-1/2" csg.gun: 7384-86'; 7394-96'; 7407-09'; 7434-40'; 7465-67' & 7539-41' (16'). Frac this interval using a 20# x-link gel water system with 70M# of 20/40 mesh sand and a total load of 930 bbl..Max.rate=61.3; Ave=59.4; Max.psi=3617#; Ave=3421#; ISIP=2718# (.80). Zone #3: Set a comp.frac plug at 7370'. Perforate the following Uteland Butte zones at 3 JPF per the above gun and log: 7251-53'; 7258-60'; 7274-76'; 7283-85'; 7333-35' & 7346-48' (12'). Frac this interal with a HYBRID/20# x-link gel water system using 79M# of 20/40 sand and a total load of 1840 bbl..Max.rate=64.4; Ave=62.2; Max.psi=3999#; Ave=3627#; ISIP=2678# (.80). Zone #4: Set a comp.frac plug at 7220'. Perforate at 3 JPF per the above gun and log Castle Peak/Uteland Butte intervals: 6950-52'; 6968-70'; 7087-89'; 7097-99'; 7108-10'; 7128-31'; 7150-53'; 7166-68' & 7196-98' (20'). Frac this interval with a HYBRID/20# x-link gel water system with 80M# of 20/40 mesh sand and a total load of 1900 bbl.. Max.rate=63; Ave=60.2; Max.psi=3414#; Ave=2933#; ISIP=1840# (.69). Zone #5: Set a frac plug at 6900'. Perforate at 3 JPF per the above gun and log the Castle Peak/Black Shale intervals: 6735-40'; 6755-58' & 6820-22' (10'). Frac this interval with a 17# x-link gel water system using 81M# of 20/40 mesh sand and a total of 1000 bbl…Max.rate=60.7; Ave=60; Max.psi=3990#; Ave=3408#; ISIP=2466# (.83). Screened out at end of flush. Zone #6: Set a frac plug at 6600'. Perforate at 3 JPF per above gun and log Douglas Creek intervals: 6123-26'; 6232-38' & 6340-44' (13'). SIFN. On 11/26/13 will resume frac work. was full of water. The frac head and csg.had been tested to 3800# prior to perforating. SI the well until fracs begin on 11/25/13. $0

UTE 16-2A-4-1 11/27/2013 Ute 16-2A-4-1: For report date on 11/27/13 for work done on 11/26/13 Zone #6: Douglas Creek gross interval 6123-6344'. Frac this interval with a 17# x-link gel water system with 100M# of 20/40 mesh sand and a total load of 1145 bbl..Max. rate=60.3; Ave=60; Max.psi=3191#; Ave=2629#; ISIP=1577# (.71). Zone #7: Set a comp.frac plug at 6080'. Perforate Garden Gulch interval at 3 JPF and 120* phasing per the OH log using a 3-1/8" csg.gun: 5986-96' (10'). Frac this interval using a 17# x-link gel water system with 100M# of 20/40 sand and a total load of 1100 bbl..Max.rate=62.6; Ave=61.8; Max.psi=3161#; Ave=2902#; ISIP=1855# (.74). Zone #8: Set a comp.frac plug at 5900'. Perforate the following Garden Gulch intervals per above gun and log: 5713-16'; 5730-34' & 5746-49' (10'). Frac this interval with a HYBRID slick water system using 43M# of sand and a total load of 1955 bbl..Did not go to 17# x-link gel system after the slick water due to possible screen out. Got flushed OK. Max.rate=63.7; Ave=61.6; Max.psi=3950#; Ave=3355#; ISIP=2253# (.83). Zone #9: Set a comp.frac plug

at 5650'. Perforate Garden Gulch intervals per above gun and log: 5528-36' and 5546-52'. Frac this interval with a 17# x-link gel water system with 100,500# of 20/40 sand and a total load of 1130 bbl..Max.rate=64.9; Ave=60.4; Max.psi=3354#; Ave=2846#; ISIP=2381# (.86). Zone #10: Set a comp.frac plug at 5450'. Perforate the Mahogany Bench/Garden Gulch intervals per the above gun and log: 5235-38'; 5265-67'; 5285-87' & 5308-12'. (11'). Frac this interval with a 17# x-link gel water system using 69M# of 20/40 sand and a total load of 815 bbl..Max.rate=66.4; Ave=64.8; Max.psi=2566#; Ave=2482#; ISIP=1394# (.70). Total load to recover is 12,800 bbl… After a 3 hour SI period open the well to flow back tank with a SICP=1050#. Open on a 20/64" choke at a rate of 110 bbl.per hour. Continue to flow the well overnight and at 6:00AM on 11/27/13 FCP=100# on a 48/64" choke at a current rate of 43 bbl.per hour with no oil or gas or sand and a total recovery of 1120 bbl.with a LLR=11680 bbl..At 6:00AM open the well on a full 2" line. Cont.to flow back the well. $

UTE 16-2A-4-1 11/28/2013 On 11/27/13 AM continue to flow the well until 10:00AM on 11/27/13 when the FCP=0# at a rate of 17 bbl.per hour. SI the well with no oil or gas or sand. Rec.in the last 4 hours a total of 126 bbl.water. Have rec.a total of 1247 bbl.from the frac with a LLR=11553 bbl..Well will remain SI until the completion rig comes on loc.possibly Monday PM or Tues.AM. $

UTE 16-2A-4-1 12/5/2013 On 12/4/13 MIRU Monument Well Service. SICP=0#. ND frac valve and NU BOP'.s. SIFN. On 12/5/13 will PU mill and tbg.. $

UTE 16-2A-4-1 12/6/2013 On 12/5/13 SICP=0#. Took 5 hours to get rig running due to mechanical problems. Tally and rabbit in the hole with a 4-5/8" mill and pump off bit sub assembly and new 2-7/8" tbg.to 5200' and SIFN. On 12/6/13 will start to drill out plugs and clean out well. $

UTE 16-2A-4-1 12/7/2013 On 12/6/13 SICP=0#. Had mechanical problems with power swivel and got going after 2 hours. Est.circ.and rec.10 bbl.of oil. Drill out frac plug at 5450'. Having trouble with swivel freezing up. Continue in the hole and drill out frac plug at 5650'. Cont.in the hole and drill out frac plug at 5900'. Cont.in the hole and had 85' of sand and drill out plug at 6080'. Cont.in the hole and drill out frac plug at 6600'. Cont.in the hole and had 200' of sand and circ.hole clean and pull mill to 5209' and SIFW. Will cont.to clean out hole on Monday. $

UTE 16-2A-4-1 12/10/2013 On 12/9/13 SITP=0# with float in string and SICP=200#. Open to manifold and flowed back est.2 bbl.of oil and plugged off manifold and lines to pit. Work to clean out lines. RIH with 44 jts.of tbg.RU power swivel. Pump 250 bbl.of water to try to establish circ.and could not get circ..Pull tbg.tail at 5176' and SIFN. Heat water tank overnight. On 12/10/13 will attempt to clean out well again. $

UTE 16-2A-4-1 12/11/2013 On 12/11/13 SICP=200# and SITP=0# with float in the string. Bled off and had to pump out lines due to 2 BO. Est.circulation with hot KCL water. RIH with 20 jts.of tbg.to 5826' and circ.out 20 bbl.of oil. RIH with an additional 16 jts.of tbg.and circ.hole with 40 bbl.of hot water with no oil recovery. Circulating good. RU power swivel and quit turning. Work on swivel and could not get air to swivel. Have a new part coming in early AM. Pull mill to 5176' and SIFN. On 12/11/13 will attempt to clean out well. $

UTE 16-2A-4-1 12/12/2013 On 12/11/13 SITP=0# with float in string and SICP=150#. Fix power swivel. Bled off well. RIH with tbg.to 6800' and est.circ..Cont.in the hole to frac plug at 7220' and drill out plug. Cont.in the hole and tag plug at 7370' and drill out. Had 10' of sand on plug. Cont.in the hole and drill out frac plug at 7650'. Cont.in the hole and tag fill at 7750'. Circ.out sand to PBTD of 7808' and circ.hole clean. Spot biocide/corrosion inhib.on bottom. Pull mill to 6021' and SIFN. Circ.out est.15 bbl.of oil today. On 12/12/13 will POOH with drill out equip.and RIH with production tbg.. $

UTE 16-2A-4-1 12/13/2013 On 12/12/13 SITP and SICP=0#. POOH with drill out tools. Pump 30 bbl.brine water down csg.to kill at 1500' and finish POOH. RIH with production tbg..Land anchor catcher with 12M# tension at 5180'. ND BOP and NUWH. SI the well. Due to mandatory safety meetings on Friday and Sat.the well will remain SI until rods and pump are ran on 12/16/13. $

UTE 16-2A-4-1 12/17/2013 On 12/16/13 SITP and SICP=200#. Bled of. RU hot oiler and flush tbg.with 40 bbl.of hot KCL water. Bucket test pump. RIH with pump and rods as below. Fill tbg.with 5 bbl.of water and seat pump and long stroke to 800#--OK. Bled off and clamp well off and RDMO Monument WS. Final report of well completion. Tbg.Detail: Bull plug (0.73); 4 jts.tbg.(129.95'); Perf.sub (4.23); SN (1.1'); 22 jts.tbg. (714.57'); 5-1/2"x2-7/8" TAC (2.66'); 159 jts.of tbg. (5165.83'); Stretch (1.2); KB=13'; Tbg.tail at 6033.27'; SN=5898.36'; TAC with 12M# tension @ 5182.69'. All tbg.is new 2-7/8" EUE 8rd 6.5# J-55. Pump: 2-1/2"x1-3/4"x16' RHAC Nat.pump with max.stroke of 145" Rods: 11-4'x1" stabilizers; 10-1-1/2" sinker bars; 10-3/4" guided rods; 125-3/4" plain rods; 87-7/8" plain rods; 1-1/2"x30' polish rod $

UTE 16-2A-4-1 1/28/2014 Road Rig To Location..MIRU..RD Pump Unit..Unseat Rod Pump..LD Polish Rod..RU Hot Oiler..Flush Rods w/60 BBLS..RU Rod Equipment..POOH w/Rods..LD Sinker Bars w/Stabilizers..Check Prime On Pump..Good Prime..LD Rod Pump..PU & Prime New Rod Pump..PU 10 x 1 1/2" Sinker Bars w/11 = 4' x 1" Stabilizers..RIH w/10 x 3/4" Guided (4 Per) - 125 x 3/4" Slick & 87 x 7/8" Slick Rods..PU Polish Rod..Seat Rod Pump..Find Tag..Clamp Off 6" Off Tag..Fill & Test w/5 BBLS - Stroke Test To 800 psi - No Test..Pressure Test Tbg To 800 Psi - Good Test..RD Hot Oiler..RU Pump Unit..PWOP..Check To See If Well Is Pumping In A.M. $

UTE 16-2A-4-1 1/29/2014 Check Well..Well Not Pumping..Lower Rods 12" To Put Well On Tag..Watch Well For 20 Min..Well Not Pumping..RD Pump Unit..Long Stroke Pump For 20 Min..Well Not Pumping..Unseat Rod Pump..LD Polish Rod..POOH w/3 Rods..RU Hot Oiler..Flush w/55 BBLS..RIH w/3 Rods.. PU Polish Rod..Seat Rod Pump..Find Tag..Clamp Off 10" Off Tag..Fill & Test w/5 BBLS - Stroke Test To 800 Psi - No Test..Pressure Test Tbg To 1100 Psi - Good Test..Bled Down Tbg To 500 Psi..Stroke Test To 1000 Psi..Good Test..Bled Down Tbg To 200 Psi - Stroke Test - No Test..Unseat Rod Pump..LD Polish Rod..POOH w/3 Rods..RH Clean w/180 BBLS Hot..RIH w/3 Rods..PU Polish Rod..Seat Rod Pump..Find Tag..Clamp Off 10" Off Tag..Fill & Test w/5 BBLS - Stroke Test To 800 Psi - Good Test..RD Hot Oiler..Lower Rods For Soft Tag..RU Pump Unit..Hang Off Well..PWOP..SDFD $

UTE 16-2A-4-1 1/30/2014 Check Well..Well Is Not Pumping..RD Pump Unit..Long Stroke Pump For 30 Min..Well Not Pumping..LD Polish Rod..POOH w/Rods..Check Prime On Pump - Good Prime..LD Rod Pump..RU Swab..Made 7 Swab Runs..Recovered 108 BBLS - IFL @ 900' - FFL @ 1400' - SICP = 425 Psi..SIWFN. $

UTE 16-2A-4-1 1/31/2014 Check Pressures = SICP 620 Psi - SITP 210 Psi..Bled Down Tbg To Production Tank..RD Swab..RU Hot Oiler..Flush Tbg w/50 BBLS..PU & Prime New Rod Pump..PU 10 x 1 1/2" Sinker Bars w/11 = 4' x 1" Stabilizers..RIH w/10 x 3/4" Guided (4 Per) Rods - 125 x 3/4" Slick & 87 x 7/8" Slick Rods..Replaced 3 x 7/8" Slick Rods..PU Polish Rod..Lost Weight On Rod String..LD Polish Rod..POOH w/54 x 7/8" Rods..Rods Parted At Pin On 7/8" Rod #55..MU Fishing Tool..RIH w/Rods..Latch Onto Fish..POOH w/Rods..LD Fishing Tool & 2 7/8" Rods..RIH w/52 x 7/8" Rods..PU 2 x 7/8" Rods..PU Polish Rod..Seat Rod Pump..Find Tag..Clamp Off 10" Off Tag..Fill & Test w/5 BBLS - Stroke Test - No Test..RD Hot Oiler..Lower Rods To Light Tag..RU Pump Unit..Hang OFf Well..PWOP $5460

UTE 16-2A-4-1 2/3/2014 check well well is good, RDMO head to next well. $

UTE 16-2A-4-1 8/12/2014 JSA, Safety meeting. Road rig to location, SIRU, unhang head, Unseat pump, RU hot oiler and flush tubing w/40 bbls. TOOH w/rods, LD K-bars and pump. X-over blocks for tubing, ND wellhead, TAC not set. NU BOP's, RU floor and TOOH w/tubing. Clean out tail joints, MU bit and bit sub. TIH w/tubing, PU 53 joints and tagged @ 7742'. 66 feet of fill. LD 26 joints on trailer, POOH w/40 stands, secure well and SDFN. EOT @ 4754. Note: decision made not to clean out fill. New PBTD 7742' $

UTE 16-2A-4-1 8/13/2014 JSA, Safety meeting. Bleed off well and open pipe rams, set posi-stop and finish TOOH w/tubing. Broke out bit and bit sub. MU BHA and TIH w/tubing. Bull plug, 3 joints, Cavens desander, 4'sub, 1 joint, PSN, 10 joints, TAC,212 joints. ND BOP and set TAC. EOT @7377, PSN @ 7225, TAC @6899. NU wellhead, flush tubing w/40 bbls, PU and prime pump, PU 10 K-bars w/11 stab subs, TIH w/ 10 guided 3/4" rods, 149 slick 3/4" rods, 117 slick 7/8" rods, 2',4',6' X 7/8" pony subs, and 26' polished rod. Seat pump, fill tubing w/25 bbls and test to 800 psi. Good test. Hang head, RDMO. $

RECEIVED: Oct. 01, 2014

Reset Form

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

AMENDED REPORT ☐ (highlight changes) FORM 8

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

5. LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4899

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1a. TYPE OF WELL: OIL WELL ☑ GAS WELL ☐ DRY ☐ OTHER

7. UNIT or CA AGREEMENT NAME:

b. TYPE OF WORK: NEW WELL ☐ HORIZ. LATS. ☐ DEEP-EN ☐ RE-ENTRY ☐ DIFF. RESVR. ☐ OTHER

8. WELL NAME and NUMBER: Ute 16-2A-4-1

2. NAME OF OPERATOR: Finley Resources, Inc

9. API NUMBER: 4304752663

3. ADDRESS OF OPERATOR: 1308 Lake Street CITY Fort Worth STATE TX ZIP 76102

PHONE NUMBER: (817) 231-8735

10 FIELD AND POOL, OR WILDCAT: Leland Bench

4. LOCATION OF WELL (FOOTAGES)
AT SURFACE: 462 FNL, 1650 FEL
AT TOP PRODUCING INTERVAL REPORTED BELOW: 462 FNL, 1650 FEL
AT TOTAL DEPTH: 462 FNL, 1650 FEL

11. QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN: NWNE 16 4S 1E

12. COUNTY: Uintah

13. STATE: UTAH

14. DATE SPUDDED: 1/6/2013

15. DATE T.D. REACHED: 11/11/2013

16. DATE COMPLETED: 12/17/2013 ABANDONED ☐ READY TO PRODUCE ☑

17. ELEVATIONS (DF, RKB, RT, GL): 5273 GL

18. TOTAL DEPTH: ~~MD~~ 7,878 TVD 7,878

19. PLUG BACK T.D.: MD 7,808 TVD 7,808

20. IF MULTIPLE COMPLETIONS, HOW MANY? *

21. DEPTH BRIDGE PLUG SET: MD TVD

22. TYPE ELECTRIC AND OTHER MECHANICAL LOGS RUN (Submit copy of each)
Triple Combo

23.
WAS WELL CORED? NO ☑ YES ☐ (Submit analysis)
WAS DST RUN? NO ☑ YES ☐ (Submit report)
DIRECTIONAL SURVEY? NO ☑ YES ☐ (Submit copy)

24. CASING AND LINER RECORD (Report all strings set in well)

HOLE SIZE	SIZE/GRADE	WEIGHT (#/ft.)	TOP (MD)	BOTTOM (MD)	STAGE CEMENTER DEPTH	CEMENT TYPE & NO. OF SACKS	SLURRY VOLUME (BBL)	CEMENT TOP **	AMOUNT PULLED
12 1/4	8 5/8 J55	24		502		G 360		0	
7 7/8	5 1/2 J55	15.5		7,868		ppg 1,100		340	

25. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)	SIZE	DEPTH SET (MD)	PACKER SET (MD)
2 7/8	5,165							

26. PRODUCING INTERVALS

FORMATION NAME	TOP (MD)	BOTTOM (MD)	TOP (TVD)	BOTTOM (TVD)
(A) GreenRiver/Wasat	5,235	7,785		
(B)				
(C)				
(D)				

27. PERFORATION RECORD

INTERVAL (Top/Bot - MD)	SIZE	NO. HOLES	PERFORATION STATUS
5,235 7,785		396	Open ☑ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐
			Open ☐ Squeezed ☐

28. ACID, FRACTURE, TREATMENT, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL	AMOUNT AND TYPE OF MATERIAL
5235-7785	773.1M #20/40 sand, 12620 bbl fluid

29. ENCLOSED ATTACHMENTS:

☐ ELECTRICAL/MECHANICAL LOGS ☐ GEOLOGIC REPORT ☐ DST REPORT ☐ DIRECTIONAL SURVEY
☐ SUNDRY NOTICE FOR PLUGGING AND CEMENT VERIFICATION ☐ CORE ANALYSIS ☐ OTHER:

30. WELL STATUS: P

(5/2000)

(CONTINUED ON BACK)

RECEIVED: Oct. 01, 2014

31. INITIAL PRODUCTION

INTERVAL A (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:
1/23/2014	2/1/2014	24		66	0	175	Pump

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:
64/64	0	60	41.00	0	0		66	0	175	

INTERVAL B (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL C (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

INTERVAL D (As shown in item #26)

DATE FIRST PRODUCED:	TEST DATE:	HOURS TESTED:	TEST PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	PROD. METHOD:

CHOKE SIZE:	TBG. PRESS.	CSG. PRESS.	API GRAVITY	BTU – GAS	GAS/OIL RATIO	24 HR PRODUCTION RATES: →	OIL – BBL:	GAS – MCF:	WATER – BBL:	INTERVAL STATUS:

32. DISPOSITION OF GAS (Sold, Used for Fuel, Vented, Etc.)

33. SUMMARY OF POROUS ZONES (Include Aquifers):

Show all important zones of porosity and contents thereof: Cored intervals and all drill-stem tests, including depth interval tested, cushion used, time tool open, flowing and shut-in pressures and recoveries.

34. FORMATION (Log) MARKERS:

Formation	Top (MD)	Bottom (MD)	Descriptions, Contents, etc.	Name	Top (Measured Depth)
Green River	2,535			Green River	2,535
Douglas Creek	6,057			Douglas Creek	6,057
Black Shale	6,726			Black Shale	6,726
Uteland Butte	7,192			Uteland Butte	7,192
Wasatch	7,354			Wasatch	7,354
TD	7,854				

35. ADDITIONAL REMARKS (Include plugging procedure)

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records.

NAME (PLEASE PRINT) April Wilkerson TITLE Regulatory Analyst

SIGNATURE _____ DATE 10/1/2014

This report must be submitted within 30 days of

- completing or plugging a new well
- drilling horizontal laterals from an existing well bore
- recompleting to a different producing formation
- reentering a previously plugged and abandoned well
- significantly deepening an existing well bore below the previous bottom-hole depth
- drilling hydrocarbon exploratory holes, such as core samples and stratigraphic tests

* ITEM 20: Show the number of completions if production is measured separately from two or more formations.

** ITEM 24: Cement Top – Show how reported top(s) of cement were determined (circulated (CIR), calculated (CAL), cement bond log (CBL), temperature survey (TS)).

Send to: Utah Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801

Phone: 801-538-5340

Fax: 801-359-3940

(5/2000)

RECEIVED: Oct. 01, 2014

FEDERAL APPROVAL OF THIS ACTION IS NECESSARY

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER:
14-20-H62-4896

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER:
UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER:
43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER:
817 231-8735 Ext

9. FIELD and POOL or WILDCAT:
WINDY RIDGE

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY:
UINTAH

STATE:
UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
✓ NOTICE OF INTENT Approximate date work will start: 4/4/2016	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ SUBSEQUENT REPORT Date of Work Completion:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
☐ SPUD REPORT Date of Spud:	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
☐ DRILLING REPORT Report Date:	☐ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	✓ OTHER	OTHER: Squeeze Perfs

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

Finley Resources plans to swab test individual zones on this well w/ a Bridge Plug and Packer to isolate a high water cut zone. It is anticipated that perfs 5713'-5749' will be the high water cut zone. Finley Resources plans to squeeze these perfs w/ 100 sx of class G cement and then put the well back on production.

Accepted by the Utah Division of Oil, Gas and Mining

Date: April 05, 2016

By: Dark K Dunt

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Terry	435 299-9129	Field Operations Engineer
SIGNATURE		**DATE**
N/A		3/31/2016

RECEIVED: Mar. 31, 2016

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

FORM 9

5.LEASE DESIGNATION AND SERIAL NUMBER: 14-20-H62-4896

SUNDRY NOTICES AND REPORTS ON WELLS

Do not use this form for proposals to drill new wells, significantly deepen existing wells below current bottom-hole depth, reenter plugged wells, or to drill horizontal laterals. Use APPLICATION FOR PERMIT TO DRILL form for such proposals.

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7.UNIT or CA AGREEMENT NAME:

1. TYPE OF WELL
Oil Well

8. WELL NAME and NUMBER: UTE 16-2A-4-1

2. NAME OF OPERATOR:
FINLEY RESOURCES INC

9. API NUMBER: 43047526630000

3. ADDRESS OF OPERATOR:
PO Box 2200 , Fort Worth, TX, 76113

PHONE NUMBER: 817 231-8735 Ext

9. FIELD and POOL or WILDCAT: LELAND BENCH

4. LOCATION OF WELL
FOOTAGES AT SURFACE:
0462 FNL 1650 FEL
QTR/QTR, SECTION, TOWNSHIP, RANGE, MERIDIAN:
Qtr/Qtr: NWNE Section: 16 Township: 04.0S Range: 01.0E Meridian: U

COUNTY: UINTAH

STATE: UTAH

11.
CHECK APPROPRIATE BOXES TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
☐ NOTICE OF INTENT Approximate date work will start:	☐ ACIDIZE	☐ ALTER CASING	☐ CASING REPAIR
☑ SUBSEQUENT REPORT Date of Work Completion: 5/28/2016	☐ CHANGE TO PREVIOUS PLANS	☐ CHANGE TUBING	☐ CHANGE WELL NAME
☐ SPUD REPORT Date of Spud:	☐ CHANGE WELL STATUS	☐ COMMINGLE PRODUCING FORMATIONS	☐ CONVERT WELL TYPE
☐ DRILLING REPORT Report Date:	☐ DEEPEN	☐ FRACTURE TREAT	☐ NEW CONSTRUCTION
	☐ OPERATOR CHANGE	☐ PLUG AND ABANDON	☐ PLUG BACK
	☐ PRODUCTION START OR RESUME	☐ RECLAMATION OF WELL SITE	☐ RECOMPLETE DIFFERENT FORMATION
	☐ REPERFORATE CURRENT FORMATION	☐ SIDETRACK TO REPAIR WELL	☐ TEMPORARY ABANDON
	☐ TUBING REPAIR	☐ VENT OR FLARE	☐ WATER DISPOSAL
	☑ WATER SHUTOFF	☐ SI TA STATUS EXTENSION	☐ APD EXTENSION
	☐ WILDCAT WELL DETERMINATION	☐ OTHER	OTHER:

12. DESCRIBE PROPOSED OR COMPLETED OPERATIONS. Clearly show all pertinent details including dates, depths, volumes, etc.

High water cut perforations: 5713'-5749' and 5235'-5312' were found using retrievable plug and packer and swab testing zones. 5713'-5749' perforations were squeezed w/ 25 sx of class G cement and 5235'-5312' perforations were squeezed w/ 75 sx of class G cement. Both squeezes were performed utilizing a composite bridge plug and cement retainer. After squeezes were completed, excess cement was drilled out and well was put back on production. A copy of operations summary is attached.

Accepted by the
Utah Division of
Oil, Gas and Mining
FOR RECORD ONLY
June 20, 2016

NAME (PLEASE PRINT)	PHONE NUMBER	TITLE
James Terry	435 299-9129	Field Operations Engineer
SIGNATURE		**DATE**
N/A		6/20/2016

RECEIVED: Jun. 20, 2016

UTE 16-2A-4-1 5/12/2016 Held safety meeting and RU Peak WS. RD pumping unit and unseat pump. Hot oil truck having issues, finally fixed. Flush tbg w/ 40 bbl and soft seat pump. Fill and test tbg to 1500#- Good test, 10 bbl to fill. POOH w/ polish rod, 2' and 6' pony subs, 116- 7/8" slick rods, 149- 3/4" slick rods, 10- 3/4" guided rods, and pump. ND wellhead, NU BOPs, X/O for tbg, and release TAC. POOH w/ tbg and tally w/ 212 jts, TAC, 10 jts, PSN, 1 jt, 4' pup, Desander, 3 jts, BP. While POOH w/ tbg became wet and wax plugs falling out bottom after 121 jts OOH. RU hot oiler and try to flush tbg but pressured up to 2000#, almost no bleed off. Pump 25 bbl down csg and try and pressure up tbg w/ rig pump w/ no luck. Finished POOH w/ tbg wet. Found Desander plugged w/ parrafin and had 2.5 tail jts full of sand. PU RBP and Packer and RIH, flushed twice on TIH to make sure tbg was clear using a total of 30 bbl- Good. Set RBP at 5815' and set Packer at 5791'- Test tools to 1500#- Good, 35 bbl to fill. Release packer and reset at 5656' to swab test perfs 5713'-5749'. SWIFN.

UTE 16-2A-4-1 5/13/2016 Held safety meeting and bleed off gas from well: 85# csg/5# tbg. RU swab and sandline and RIH. Stack out on parrafin at 1000'. POOH and make dry run to PSN at 5600'. Try to make swab run again and stack out at 1400'. RU hot oiler to csg and pump 90 bbl and able to make it to 3500' with swab. Flush tbg w/ 35 bbl and hit pressure at 21 bbl in and blew through. Make 2 swab runs and on 3rd run stack out w/ swab at 4400'. Make a run with wax knife and RIH to PSN. Start swabbing again and make it to PSN. Swab for the rest of the day. Recovered a total of 59.75 bbl of fluid (trace oil) w/ a final FL of 5100'. RD swab tee and SWIFN.

UTE 16-2A-4-1 5/14/2016 Held safety meeting and bleed off well: 5# tbg/220# csg. RU swab tee and sandline and start swabbing perfs 5713'-5749'. IFL at 3000' and recovered a total of 19.1 bbl of water w/ trace oil. RD swab tee and sandline and RU rig pump to get IR of 0.8 bbl/min at 2200#, pumped a total of 35 bbl for IR. Bleed off pressure and release packer and TIH to RBP. Found 5' of fill ontop of RBP. Pumped 40 bbl down tbg to fluff up sand and latch onto RBP, released and move tools uphole. Set RBP at 5400' and set packer at 5365' to test RBP- pumped 26 bbl and tested to 1500#- Good. Release packer and reset at 5201' to swab. PT backside to 1500#- Good, 38 bbl to fill. RU swab tee and sandline and begin swabbing perfs 5235'-5312' to test for water cut. IFL at 4700'. Made 11 swab runs and recovered 14.25 bbl of water w/ trace oil. SWIFN.

UTE 16-2A-4-1 5/17/2016 Held safety meeting and check well pressures. 350# - tbg and 0# - csg. Make 3 swab runs recovering 1.25 bbl of water w/ trace oil on perfs 5235'-5312'. IFL was at 4750'. RU rig pump and tank to get IR and couldn't catch any pressure after pumping 55 bbl down tbg. Release packer and TIH to RBP, tag 5' of fill ontop of RBP. RU washstand and slug 30 bbl of water down tbg to fluff up fill and latch onto and release RBP. POOH w/ tools and LD packer and RBP. MIRU EL (The Perforators). RIH and set composite BP at 5810'- Good. POOH and then RIH w/ cement retainer and set at 5600'- Good. RD EL. PU and TIH w/ stinger and 173 jts of tbg. Sting in, out, and back in- Good. MIRU Cementers (Pro Petro). Pump squeeze for perfs 5713'- 5749' as follows: Get IR of 1.8 bbl/min at 2500#. Pump 25 sx of class G cement (15.8 ppg, 1.15 yield = 5.1 bbl). Displace and squeeze cement w/ a total of 34.5 bbl of freshwater w/ a max squeeze pressure attained of 3200#. Total of 17.8 sx of cement into formation. Sting out of retainer and POOH w/ tbg and retainer. RU EL and RIH and set composite BP at 5350'- Good. POOH and RIH w/ cement retainer and set at 5100'- Good. SWIFN.

RECEIVED: Jun. 20, 2016

UTE 16-2A-4-1 5/18/2016 Held safety meeting and PU stinger and TIH w/ 157 jts and sting into retainer- Good. Fill csg and hold 500#- 65 bbl to fill. RU Pro Petro and pump 75 sx of class G cement (15.3 bbl), displace w/ 27 bbl of water. Attained a maximum squeeze pressure of 2000#. Sting out of retainer and reverse out w/ 45 bbl of water and recovered 3.5 bbl of cement. Cement into formation is 7.77 bbl (33.2 sx). POOH w/ tbg and LD stinger. SWI until time to drill out cement.

UTE 16-2A-4-1 5/24/2016 Held safety meeting and PU and MU cmt mill and bit sub. RIH w/ mill and 157 jts of tbg to tag cement retainer at 5100'. LD 11 jts in order to swivel up tomorrow and TIH w/ 10 jts out of derrick. RU and hangback power swivel and get pump lines ready for drilling. SWIFN.

UTE 16-2A-4-1 5/25/2016 Held safety meeting and RU power swivel. PT csg to 1000#- Good test. Catch circulation and start drilling on cmt. retainer. After 15 minutes of drilling, mill became plugged. Try unplugging by surging and working pipe- no luck. POOH and found mill plugged w/ rubber and cast iron chunks from retainer. PU and MU 4 3/4" rock bit and bit sub and TIH w/ tbg. MIRU second rig pump. RU power swivel and catch circulation. Resume drilling on cmt retainer at 5100'. Finish drilling through retainer and start drilling up hard cement at 1'/min. Drill up hard cement until fall through at 5322' (10' past btm. perf). Wash down to composite BP at 5350' and circulate hole clean. POOH and LD 8 jts in order to swivel on tomorrows drilling and fill hole w/ fluid. SWIFN.

UTE 16-2A-4-1 5/26/2016 Held safety meeting and 0# tbg/0# csg. Fl still at surface in tbg. TIH w/ 8 jts from derrick and RU power swivel. MI Graco faoam unit but caught good circulation with rig pumps. Drill up cement retainer at 5600'. Drill up hard cement to 5755' and power swivel blew hydraulic hose. Circulate bottoms up and SD while waiting on power swivel. Monitor FL for 30 minutes and no gain/loss. Install new hydraulic hose and continue drilling out cement and fell through cement at 5757'. Wash down to composite BP at 5810' and circulate hole clean. Drill through and push BP to bottom after losing circ. Tagged fill at 7682' (126' of fill). LD 11 extra jts not needed for production string and POOH w/ 50 jts of tbg. SWIFN. Note: Called good positive test on squeezes on perfs 5713'- 5749' and 5235' - 5312'.

UTE 16-2A-4-1 5/27/2016 Held safety meeting and finish POOH w/ tbg and bit. LD bit and bit sub. PU and MU BHA and RIH w/ production tbg as follows: KB-13', Stretch- 1.6', 212 jts, TAC (6900'), 10 jts, PSN (7226'), 1 jt, 4' tbg sub, Desander, 3 jts, Bull Plug, EOT (7378'). Set TAC w/ 12K tension, RD floor, ND BOPs, NU wellhead, X/O for rods. PU and prime 2 1/2" x 1 1/2" x 18' RHAC pump (Accelerated). RIH w/ pump 10- weight bars w/ 11 stab. subs, 10- 3/4" guided rods, 149- 3/4" slick rods, 116- 7/8" slick rods, 1 -2' pony sub, and polish rod- 3" off double tag. Seat pump and fill and stroke test tbg to 800#- Good, 21 bbl to fill. RU pumping unit and stroke test unit- Good. Too windy to RD, will RD tomorrow. Rack out tools, hardline and clean location.

UTE 16-2A-4-1 5/28/2016 Held safety meeting and RD Peak and move rig back to yard.

RECEIVED: Jun. 20, 2016